FBIS DAILY REPORT

CONTENTS

Eastern Europe

Vol II No 247 *22 December 1978*

ALBANIA

ATA Reports Self-Sufficiency in Consumer Goods B 1
Briefs: Anniversary of Veterinary Service; Ramiz Alia Activities B 1

BULGARIA

Sofia Dailies Comment on U.S.-P.R.C. Normalization C 1
Zhivkov Sends Birthday Greetings to Brezhnev C 1
Zhivkov Receives CSSR Foreign Minister Chnoupek C 1
Mladenov, Chnoupek End Talks C 2
Chnoupek Radio Statement C 2
FRELIMO Delegation Ends Visit, Departs 13 Dec [RABOTNICHESKO DELO 14 Dec] C 2

CZECHOSLOVAKIA

Anti-Ceausescu Plot Allegedly Organized by Bilak [Vienna WIENER ZEITUNG 7 Dec] D 1
Chnoupek Discusses 'Coordinated Policy' of Pact States D 1
Debate at CPSL Central Committee Plenum Reported [Bratislava PRAVDA 14 Dec] D 2
Poledník Receives Soviet Friendship Society Delegates D 4
Participants in Prague Friendship Meeting Listed D 4
More Reportage on Bilak-Led Delegation in Syria D 4
Ends Visit, Departs D 4
Returns, Meets Fojtik D 4
Husak Commends Tesar-Led Farmers on Good Results D 5
Korcak Attends Czech National Council Deliberations D 6
Deputy Premier Reports on Plan Fulfillment D 6
RUDE PRAVO Cites Insufficient Coal Reserves [14 Dec] D 7
Upcoming Crusade Against Poor Quality Work Noted [RUDE PRAVO 15 Dec] D 8
Oil Price Increase, Speculations on Impact Reported [LIDOVA DEMOKRACIE 14 Dec] D 8
Briefs: USSR Chemical Cooperation D 9

GERMAN DEMOCRATIC REPUBLIC

People's Chamber Position on Moscow Declaration [NEUES DEUTSCHLAND 16-18 Dec] E 1
New Light Industry Minister Appointed [NEUES DEUTSCHLAND 16-17 Dec] E 1
Herrmann Speaks at Naming of Party School E 2
Soviet Ambassador Hosts FDJ Official E 2
Briefs: Soviet Ministers Visit; Journalists Return From Vietnam E 2

HUNGARY

Reportage on National Assembly Session F 1
Huszar Addresses Assembly F 1
Gaspar on Economic Tasks F 3
Faluvegi Budget Speech F 4
Budget Unanimously Approved F 6
Fock Visits Obuda, Gyenes in Ujpest F 7
Briefs: Trade With Romania; Norwegian Cooperation Protocol F 7

POLAND

Sejm Session Held, 1979 Plan Discussed G 1
Meeting Opens 20 Dec G 1
Jaroszewicz Delivers Speech G 3
1979 Budget, Plan Approved G 8
PAP Report on Establishment of U.S.-PRC Relations [TRYBUNA LUDU 18 Dec] G 8
TRYBUNA LUDU Reports OPEC Oil Price Hike [18 Dec] G 9
Foreign Trade Minister Meets Lesechko in Moscow G 9
Visit by Luxembourg CP's Rene Urbany Reported [TRYBUNA LUDU 13 Dec] G 10
Trade Protocol With Cuba Signed in Havana G 11

ROMANIA

Ceausescu Attends GNA Plenary Session on 21 December H 1
Law on Education Passed H 1
Ceausescu Speaks on Receiving Italian Peace Prize H 3
Text of Ceausescu Interview on French Television [SCINTEIA 17 Dec] H 5
Agriculture Minister Receives Mongolian Vice Minister H 8
Defense Minister Congratulates Vietnamese on Army Day H 9
Decree Increases Pensions of War Invalids, Injured H 9
Agricultural Protocol With USSR Signed in Bucharest H 9
Radio, Television Cooperation With USSR Discussed H 9
Consumer Cooperatives Council Holds Plenum 21 Dec H 10
AGERPRES Highlights UN Support for Peace Initiative H 10

YUGOSLAVIA

Second Session of LCY Central Committee Reported I 1
TANJUG Reports Soviet Republic, Oblast Leadership Changes I 26
More on Establishment of U.S.-PRC Relations I 27
Sundic Comments on 'Triangle' I 27
Foreign Secretariat Spokesman Comments I 28
Spokesman Questioned on Mideast, EEC Issues I 28
Spokesman Kalezic Questioned on Vietnam-Cambodia Conflict I 29
Further Reportage on Army Day Celebrations I 29
Tito Decorates Officers I 29
Meets With Ljubicic, Others I 30

Moscow, Kiev Receptions Held I 31
Vrhovec Greets Ljubicic I 31
Edvard Kardelj Receives Ljubljana Citizens I 31
Mild Earthquake in Sjenica Region Reported I 31
POLITIKA Denounces Mihajlov's Anticommunist Activities Abroad I 32
General Radovanov Views Territorial Defense I 33
More on Visit of Solomentsev-Led RSFSR Delegation I 33
Talks Held in Montenegro I 33
Srzentic Receives Solomentsev I 34
Information Secretariat Delegation Departs for Tunisia I 34
Cooperation Agreement Signed I 34

ATA REPORTS SELF-SUFFICIENCY IN CONSUMER GOODS

LD211144Y Tirana ATA in English 0930 GMT 21 Dec 78 LD

[Text] Tirana, 21 Dec, ATA--Now Albania fully meets the needs for knitwears, socks and stockings, shoes, houseware utensils, glass and ceramic products, oil paints, electric lamps, electric articles, radio and television sets, etc., locally produced, the minister of light and food stuff industry, Kristaq Dollaku, stated among other things at an interview granted to the newspaper BASHKIMI on occasion of the conclusion of the year 1978 and the beginning of the work for the year 1979.

He also emphasized that the working people of this important branch of the Albanian economy, as against the previous year, produced more than 125,000,000 leks more various commodities. During the current year, they turned out considerable quantities of fabric, velvet, woolen blankets, socks, ready-made garments, plastic articles, glass products, oil and enamelled paint, detergent, electric lamps, TV-sets, metallic mass consumer goods, etc. Meanwhile the population was supplied with 3.7 percent meat, 2 percent milk, 4.7 percent cheese, 11.8 percent macaroni more than the previous year. Attention was also devoted to the work for the further improvement of the quality of production, the increase of the degree of mechanisation, the increase of productivity, the lowering of the cost, and of other ecoomic-financial indexes.

Dwelling upon some of the main tasks set to the Albanian working people of light and food stuff industry, the minister pointed out that the production of mass consumer goods for 1979 will increase considerably. Thus the production of fabric will increase by 3 percent, ready-made garments by 4.5 percent, knitwears by 10 percent, meat by 10 percent, fish 19 percent, olives 20 percent, etc. The tasks for export as compared with this year are envisaged to increase by 6 percent.

Contrary to the situation in the bourgeois-revisionist countries, Kristaq Dollaku stressed in conclusion, Albania witnesses only increase in production, stability in prices, normal supply with food and manufactured commodities.

BRIEFS

ANNIVERSARY OF VETERINARY SERVICE--A jubilee scientific session began today in Tirana on the occasion of the 50th anniversary of the Zootechnical veterinary service. In addition to distinguished workers in the livestock-raising sector, specialists, officials and others, the session was also attended by Adil Carcani, AWP Central Committee Politburo member and first deputy chairman of the Council of Ministers; Petro Dode, AWP Central Committee member and chairman of the State Planning Commission; Themie Thomai, AWP Central Committee member and minister of agriculture; Aleks Buda, chairman of the Academy of Sciences of the People's Socialist Republic of Albania, and others. The session, which will continue tomorrow, will listen to 3 reports and 24 papers. The session is also attended by scientists from Turkey and Greece. [Tirana Domestic Service in Albanian 1300 GMT 7 Dec 78 AU]

RAMIZ ALIA ACTIVITIES--A jubilee soiree was held this evening on the occasion of the 20th anniversary of the founding of the Opera and Ballet Theater. The guests included Ramiz Alia, AWP Central Committee Politburo member and secretary; Fiqret Shehu, AWP Central Committee member and director of the V.I. Lenin Party School; Minister of Education and Culture Tefta Cami and others. [Tirana Domestic Service in Albanian 1900 GMT 16 Dec 78 AU]

SOFIA DAILIES COMMENT ON U.S.-P.R.C. NORMALIZATION

AU211020Y Sofia BTA in English 0125 GMT 21 Dec 78 AU

[From the press review]

[Excerpt] Under the headlines "Normalization with Perilous Destabilizing Consequences" and "Dangerous Union", the OTECHESTVEN FRONT and NARODNA CZIYA dailies carry commentaries on normalizing the relations between the United States of America and the People's Republic of China. It is emphasized that the establishing of diplomatic relations between the USA and the PRC is subjected to goals which are beyond the framework of the normal interstate relations, and conceal intentions with alarming consequences for peace and security in the world.

ZHIVKOV SENDS BIRTHDAY GREETINGS TO BREZHNEV

AU212025Y Sofia Domestic Service in Bulgarian 1830 GMT 21 Dec 78 AU

[Text] Comrade Todor Zhivkov has sent the following telegram to Leonid Brezhnev:

Dear Comrade Brezhnev, please accept the most cordial congratulations on the part of the Bulgarian communists and the Bulgarian people as well as my personal joy on the occasion of your being bestowed with the highest award of the Soviet Union--the Lenin Order--and the Third Gold Star of Hero of the Soviet Union, as well as on your birthday.

We welcome with joy this bright expression of the CPSU and Soviet State's recognition for your particular contribution to defending and building your great motherland as well as to enhancing its comprehensive might and prestige. In your personality, dear Comrade Leonid Ilich, we cordially greet the noteworthy politician and statesman who, by leading the CPSU and the Soviet Union, devotes his talent, experience and energy to strengthening the socialist community and all the progressive forces in the world and to safeguarding mankind from a third world war, for the triumph of peace and security, friendship and cooperation among the peoples.

I express heartfelt wishes to you, dear Comrade Leonid Ilich, the great friend of the Bulgarian people, for further successes in your fruitful and highly noble work in the name and happiness and well-being of the fraternal Soviet people, in the name of peace and social progress, for the triumph of the great communist ideal.

ZHIVKOV RECEIVES CSSR FOREIGN MINISTER CHNOUPEK

AU211336Y Sofia BTA in English 1326 GMT 21 Dec 78 AU

[Text] Sofia, 21 Dec, (BTA)--The first secretary of the CC of the BCP and State Council chairman, Mr Todor Zhivkov, gave a high appraisal to the development of Bulgaro-Czechoslovak relations, pointed out that the building up of socialism in the two fraternal countries was a contribution to the strengthening of the socialist community, of peace and social progress.

Today he received the Czechoslovak foreign minister, Mr Bohuslav Chnoupek.

At the meeting, in which the Bulgarian foreign minister, Mr Petur Mladenov also took part, Mr Zhivkov expressed his satisfaction with the results of the official talks held between the two foreign ministers.

Topical issues of the international situation were also discussed and stress was laid on the significance of the acquisitions of real socialism for the consolidation of the process of detente.

Mladenov, Chnoupek End Talks

AU212020Y Sofia BTA in English 1830 GMT 21 Dec 78 AU

[Text] Sofia, 21 Dec, BTA--The talks between the minister of foreign affairs of Bulgaria, Mr Petur Mladenov, and his Czechoslovak counterpart, Mr Bohuslav Chnoupek, ended here today. Before representatives of the mass media, Mr Chnoupek declared that his visit and the talks he had with Mr Mladenov, had not been formal but had been "an expression of our traditional friendship based on the principles of socialist internationalism and yet another demonstration of our friendship". Mr Chnoupek said that during his meetings with his Bulgarian colleague numerous international questions connected with the preservation of peace, the reduction of tension and disarmament had also been discussed. "I think that in this aspect our meetings were of paramount importance because we already could elaborate some decisions embodied in the declaration of the Political Consultative Committee of the Warsaw Treaty member-countries and could confer on how further to strengthen the unity of our states". The Czechoslovak minister added that in connection with the problems of detente questions referring to "the struggle against the enemies of detente, such as for instance the military-industrial complex and the Maoists" had also been touched upon. In conclusion Minister Chnoupek laid stress on the fact that his visit to Bulgaria had once again demonstrated the coordinated policy of two socialist states of the Warsaw Treaty.

Chnoupek Radio Statement

AU212023Y Sofia Domestic Service in Bulgarian 1830 GMT 21 Dec 78 AU

[Text] CSSR Foreign Minister Bohuslav Chnoupek has made the following statement to a Sofia radio representative:

[Chnoupek--begin recording in Slovak, fading into translation] I wish to express pleasure at my visit to Bulgaria which is an expression of our traditional friendship based on the principles of Marxism-Leninism and socialist internationalism. During the talks we had with Foreign Minister Petur Mladenov, we assessed the results of the talks held between our party-government delegations led by Comrades Gustav Husak and Todor Zhivkov. It (?was established) that our relations were developing in an ever more ascending line not only in the sphere of the political, economic, trade and cultural ties but also in the sphere of production sharing and scientific-technical cooperation.

As far as the issue of international policy is concerned, Bohuslav Chnoupek said, our attention was focused on the major topics of the present times--safeguarding peace, reducing world tension, and disarming--stands which our parties and countries expressed in the declaration of the Warsaw Pact Political Consultative Committee's session recently signed in Moscow.

FRELIMO DELEGATION ENDS VISIT, DEPARTS 13 DEC

AU181316Y Sofia RABOTNICHESKO DELO in Bulgarian 14 Dec 78 p 3 AU

[Text] The military delegation of the People's Republic of Mozambique, led by Sebastian Maboti, member of the Permanent Political Committee of the FRELIMO Central Committee, deputy minister of national defense and commander in chief of the general staff, departed from Bulgaria on 13 December. The delegation visited Bulgaria at the invitation of Army Gen Dobri Dzhurov, BCP Central Committee Politburo member and minister of national defense. At Sofia Airport the guests were seen off by Col Gen Atanas Semerdzhiev, first deputy minister of national defense and commander in chief of the general staff of the Bulgarian People's Army.

ANTI-CEAUSESCU PLOT ALLEGEDLY ORGANIZED BY BILAK

Vienna WIENER ZEITUNG in German 7 Dec 78 p 1 WA

[Unattributed article: "Fifth Column Against Ceausescu?"]

[Text] Prague--Informed sources report from Prague that during the hectic days of the past week, Hanak, the Czechoslovak ambassador in Bucharest, was supposed to have tried to contact "unstable elements" in the Romanian Communist Party in order to prepare a situation which would lead to the overthrow of the state and party chief Nicolae Ceausescu. According to these sources Hanak had been charged with this task by the CPCZ Secretary Vasil Bilak, with the knowledge of the state and party chief Husak. Hanak was also the only ambassador of the East Bloc who did not leave Romania during that period. Simultaneously, all celebrations in Czechoslovakia of the 60th anniversary of the creation of united Romania (1 December) are said to have been forbidden. Moreover, it was reported that tourists visiting Romania's two neighbors, Hungary and Bulgaria, had observed strong concentrations of troops.

CHNOUPEK DISCUSSES 'COORDINATED POLICY' OF PACT STATES

LD212216Y Bratislava Domestic Service in Slovak 1730 GMT 21 Dec 78 LD

[Text] Foreign Minister Bohuslav Chnoupek today concluded his 4-day official visit to Bulgaria. Before returning home he gave an interview to representatives of the Bulgarian and our mass media. Our Sofia correspondent, Jan Bednarik, sent us substantial excerpts a little while ago:

[Chnoupek--begin recording] My visit and my talks with Comrade Mladenov--not a formal meeting of two rather busy foreign ministers--were an expression of our traditional friendship based on the principles of Marxism-Leninism, socialist internationalism as well as yet another demonstration of our friendship and cooperation. When we reviewed the conclusions and results of the meeting between Comrades Zhivkov and Husak at the head of party delegations, and outlined new tasks for our [word indistinct], we were able to note that in our bilateral relations there was a better atmosphere than ever before, and that our mutual relations had achieved a level without any parallel in history.

We are extremely pleased with the level of our relations in the political, economic, cultural and other spheres, and this trend is correct, and the (?few) problems that exist, especially in the sphere of trade and cooperation, are being gradually solved.

Moreover, I had the exceptionally pleasant duty of conveying an invitation to a Bulgarian party and state delegation to visit Czechoslovakia, headed by Comrade Zhivkov. We are very glad that in this connection the comrades told us that they would visit Czechoslovakia next year. We are convinced that this will be a further significant historic milestone in the promotion of our relations, and that it will outline new horizons and prospects for our cooperation.

As regards certain traditional questions, it can be said that on the major ones, such as the preservation of peace, detente, and disarmament, our views were identical and emerged from the line worked out by the Central Committees of our parties, and which we expressed very accurately in the significant declaration adopted at the session of the Warsaw Pact Political Consultative Committee in Moscow.

I think that on these aspects of our talks, our meeting was of special importance because we were already able to elaborate certain ideas contained in the declaration, and we were able to consult each other on how to further consolidate our countries' unity and discuss our ideas on the concrete implementation of the new and major questions contained in the declaration, referring to the further continuation of detente, the struggle against the enemies of detente, ranging from the military-industrial imperialist complex to the Maoist forces, and to disarmament questions, where the declaration proposes a whole series of new ideas. One of these is that the socialist countries are ready to negotiate on all questions of disarmament, including those that have already been discussed. We also consulted each other about, the conclusions of the declaration and here we exchanged views on how we intend and how we shall broaden our front in the fight for peace by cooperating with socialist parties, social democratic parties, mass organizations, religious organizations, and so forth.

In brief, we can say that we have had most exhaustive talks and exchanges of views, very effective and productive and, what is most important, they demonstrated once again the coordinated policy of two member-countries of the Warsaw Pact. [end recording]

DEBATE AT CPSL CENTRAL COMMITTEE PLENUM REPORTED

AU162010 [Editorial Report AU] Bratislava PRAVDA in Slovak on 14 December 1978 carries on pages 3 and 4 accounts totalling 12,000 words of speeches by nine participants in the debate of the CPSL Central Committee session, held in Bratislava on 11-12 December.

Josef Kempny, Presidium member and secretary of the CPCZ Central Committee, devotes his speech to the tasks of the economic plan for 1979 and to the major problems facing Czechoslovakia's economy. Speaking about export policy, "one of the key problems of the national economy", Kempny stresses the necessity of achieving "maximum savings in the imports from the capitalist countries" and of "turning around twice in our hand every koruna that we spend in this direction." He says that top technology does not necessarily have to be purchased on capitalist markets and points to the successes of Soviet and Bulgarian electronics industries. After stating that the concentration of capital investment projects in Prague and, above all, in North Bohemia will not only be an economic problem but also a "highly political" problem, Kempny deals briefly with the projected economic development of Slovakia. He notes that the Slovak economy will grow at a faster rate than the Czech economy "because only thus shall we insure a speedy balancing out of the economic level of our republics." In the last section of his speech Kempny defines the exchange of party membership cards as "the most significant political event between the 15th and the 16th CPCZ Congresses" and stresses that it "must be fully used in order to mobilize the forces of the party, increase the effectiveness of work of every communist, every basic organization and party body, consolidate the ideological and action unity of the party and deepen its leading role in all areas of our social life." The exchange of party cards will thus not be an "action of technical-administrative nature", Kempny says.

Stefan Lech, candidate member of the CPSL Central Committee and foreman in the Tatra Banovce nad Bebravou enterprise, speaks about the economic results of his enterprise. In one part of his speech he refers to the need of his enterprise for 300 additional workers--in view of the expansion of the production program by "special-purpose machines" for the Tatra national enterprise--and deplores that "the superior economic organs do not create the best conditions for this task to be consistently fulfilled."

In his address Miloslav Valovic, member of the CPSL Central Committee and general director of the coal and lignite mines in Prievidza, deals with the problems of Slovak brown coal mines. He notes that "this year our concern will extract more than 7.86 million tons; 6.03 million tons of this will be extracted by the Slovak enterprises. Extraction in Slovakia will be some 70,000 tons behind the planned tasks." The deficit is caused, according to Valovic, by "deteriorated mining-geological conditions that resulted in breakdowns and cave-ins of water-saturated materials." Valovic says that 12.5 percent of the coal was extracted during weekends and holidays which he calls a "burden" on the "most aware part of our work collective" because "we still have workers who are not willing to take part in extraction during their days off." After stating that his concern is to extract 8.1 million tons of coal in 1979, Valovic notes that the replacement of outdated technology and expansion of the existing mining capacities are prerequisites for the fulfillment of the planned tasks. In this context he stressed the importance of geological research, pointing to the following "new potential deposits" in Slovakia: "Kuty, the Sturovo deposit, Vatovce, Luboriecka, Badin, Hnojne, Beladice, the promising deposit near Nitra and between Nitra and Vrable."

Jan Matis, member of the CPSL Central Committee and general director of the Slovchemia economic production unit, points in the initial section of his statement to some shortcomings of the CSSR chemical industry: "Although the rates of production growth in developing the chemical industry have been rather good in the past 10 years, it can be said that in most cases we have not succeeded in saturating the domestic market with chemical products. It is necessary, for example, to increase the supplies of industrial fertilizers and plant protection means to the agricultural sector. We are also being criticized for the shortage of some chemical fibers; we lack raw materials and semi-finished products for housing chemistry [bytova chemia] and some products from technical rubber are still in short supply."

Ondrej Kulis, member of the CPSL Central Committee and director of the enterprise for the production of ball-bearings (ZVL) in Mokrad, speaks about the difficulties of his enterprise and of the entire ZVL economic production unit (EPU), of which the Mokrad enterprise is part. He says that in spite of the "production gap" of the ZVL Presov enterprise that amounts to Kcs35 million, the EPU as whole will fulfill its export tasks to both socialist and capitalist countries, after an "adjustment" of its annual production plan.

Speaking about his own enterprise Kulis says that it got into a "very bad situation" in the first half of the year as a result of "some sort of a sum of negative influences of the past and this year" and that its "production gap" amounted to Kcs16 million by the end of July. After a "profound analysis" and "comprehensive" political-organizational measures" the gap was reduced to Kcs 1.69 million by the end of November and Kalis expresses the hope that his enterprise will finally fulfill the plan "because we are taking all inevitable and sometimes even unpopular measures." Kulis says that there are also objective reasons for the problems of his enterprise, saying that they would certainly fulfill the planned tasks "were it not, for instance, for the lagging deliveries of nickel ore from Cuba." He also complains that "our just and very urgent requests" are not being fulfilled on the part of the management of the EPU and the Federal Ministry of General Engineering. Kulis specifically refers to the unsolved issue concerning the limit on imports of technological equipment from the capitalist states, which--he says--are inevitable because the needed installations, worth 6 million foreign currency korunas, are not being produced within the CEMA framework.

Imrich Szalai, member of the CPSL Central Committee and foreman in the Slovak shipyards in Komarno, notes in his speech that his enterprise will fulfill its gross production plan only 95 percent this year and blames the subcontractors as responsible for the situation.

Jan Kralik, member of the CPSL Central Committee and chairman of the West Slovak regional national committee, and Jan Brondon, member of the CPSL Central Committee and chairman of the East Slovak regional national committee, review in their speeches the economic results of their regions. In his speech Frantisek Miseje, member of the CPSL Central Committee and minister of finance of the Sloval Socialist Republic, deals with the fiscal aspects of the Slovak economic development.

POLEDNIK RECEIVES SOVIET FRIENDSHIP SOCIETY DELEGATES

LD151731Y Prague Domestic Service in Czech 1630 GMT 15 Dec 78 LD

[Text] Jindrich Polednik, secretary of the CPCZ Central Committee, received in Prague today the representatives of the Soviet societies for friendship and cultural relations with foreign countries and the heads of delegations of societies for friendship with the Soviet Union from the socialist countries. They are in Czechoslovakia for an international conference and exchange of experiences with branches of friendship societies in industrial enterprises.

PARTICIPANTS IN PRAGUE FRIENDSHIP MEETING LISTED

LD171111Y Prague International Service in Czech and Slovak 2230 GMT 16 Dec 78 LD

[Excerpt] The delegations of the societies for friendship with the USSR from Bulgaria, Cuba, the Lao People's Democratic Republic, Hungary, Mongolia, the GDR, Poland and Vietnam left Prague for home today. They had attended the international meeting of fraternal organizations here.

MORE REPORTAGE ON BILAK-LED DELEGATION IN SYRIA

Ends Visit, Departs

LD212004Y Prague CTK in English 1712 GMT 21 Dec 78 LD

[Text] Damascus, Dec 21, CETEKA correspondent--The Czechoslovak Communist Party Central Committee delegation led by Presidium member and Central Committee Secretary Vasil Bilak today ended its five-day visit of Syria. Vasil Bilak was seen off at the airport by Syrian Ba'th Party Deputy General Secretary Abdallah Ahmar. Syrian media paid great attention to Vasil Bilak's visit and provided detailed information about the negotiations and program of the delegation. Today's papers stress the importance of Czechoslovak-Syrian relations.

Returns, Meets Fojtik

LD212005Y Prague CTK in English 1734 GMT 21 Dec 78 LD

[Text] Prague, Dec 21, CETEKA--The delegation of the Czechoslovak Communist Party Central Committee, led by Presidium member and Central Committee Secretary Vasil Bilak, returned home from Syria tonight. The delegaion visited Syria at the invitation of the Syrian leadership of the Ba'th Party. They were welcomed at the airport by Jan Fojtik, secretary of the Czechoslovak Communist Party Central Committee, and other officials.

HUSAK COMMENDS TESAR-LED FARMERS ON GOOD RESULTS

LD211220Y Prague Domestic Service in Czech 1730 GMT 20 Dec 78 LD

[Excerpts] Gustav Husak, general secretary of the CPCZ Central Committee and president of the republic, received in Prague Castle today a delegation of the working people in agriculture from the East Bohemian region, headed by Franktisek Tesar, member of the Central Committee and leading secretary of the CPCZ regional committee. Present at the reception were Milos Jakes, candidate member of the Presidium and secretary of the party Central Committee; Josef Nagr, federal minister of agriculture and food, and Miroslav Petrik, Czech minister of agriculture and food.

Comrade Frantisek Tesar presented to Comrade Gustav Husak a report on the completion of the fall's work and the results of agriculture in the East Bohemian region this year.

Comrade Gustav Husak, on behalf of the party Central Committee, the Federal Government and himself, thanked the East Bohemian farmers for their good work, their selflessness and good results which, in some respects, are among the best in the country. He also praised their determination to make everything possible for the fulfillment of the demanding tasks of the plan for 1979.

Comrade Gustav Husak also said that other regions of our republic, too, have achieved progress in the development of agricultural production. In difficult climatic conditions our agriculture has achieved a number of good results. A record harvest of almost 11 million tons of cereals has been achieved. The production of meat and other animal products has also risen. Our society therefore justly praises the work initiative of all those who are responsible for insuring food supplies for our people.

Comrade Husak also spoke about the fact that the leading bodies of the party and state are now considering questions of the further development of our socialist agriculture. A session of the CPCZ Central Committee, which will assess the fulfillment of the conclusion of the 15th congress and the 1975 October session of the party Central Committee on agriculture, is under preparation for spring 1979.

Comrade Gustav Husak said that we want to assess what has been achieved, which tasks have not yet been fulfilled, how we should and could solve them, what more is to be done to raise the effectiveness of our agriculture. Those farmers who often achieve noteworthy results may ask why society is asking them to raise their production still more. As you know, Comrade Gustav Husak said, we set ourselves the goal of gradually achieving self-sufficiency in grain and other products which we can produce in our country. Although we made some progress in this direction, we still have to import a considerable amount of grain and other agricultural products. If we want to meet the growing demands of the population, especially as regards meat and other animal products, Comrade Gustav Husak stressed, we must set higher tasks for agricultural production. We do not see the right course for this in employing more people but in a better utilization of science and technology, in improved organization and management of agriculture, in a faster generalization and implementation of progressive experiences, and in a better utilization of everything which society gives agriculture. In this spirit it is necessary to direct the current discussion in agricultural cooperatives and state farms for the preparation of the 19th congress of United Agricultural Cooperatives.

In the 30 years since the start of the socialist reconstruction of our agriculture, Comrade Gustav Husak noted, truly revolutionary successes had been achieved, and we are right to be proud of these. However, from the point of view of our present needs, as regards what our 15 million citizens need and are entitled to, we must also endeavor to achieve even better results in agriculture. Naturally, an increase in investment development in agricultural production, and an increase in the supply of technology, fertilizers and other industrial products are anticipated.

However, it is not possible to satisfy in a short time the fast growing needs and genuine requirements of agriculture, Comrade Gustav Husak said. Therefore it is necessary to make better use of existing resources, the advantages of socialist agriculture and its experiences which we have accumulated in the development of large-scale agricultural production. At the close of his address, Comrade Gustav Husak once again thanked the farmers of the East Bohemian region and other regions for their good results, selfless work, and their contribution to the production of food for our people. He wished all working people in the sphere of agriculture and food good work results also in 1979 and new and significant successes.

KORCAK ATTENDS CZECH NATIONAL COUNCIL DELIBERATIONS

LD191224Y Prague Domestic Service in Czech 1630 GMT 18 Dec 78 LD

[Text] The Czech National Council discussed in Prague today the report of the Czech Government on the fulfillment of the tasks of the Sixth 5-Year Plan in the Czech Socialist Republic and the government draft bill to be passed by the Czech National Council on the republic's state budget for next year. The meeting was attended by Josef Korcak, member of the CPCZ Central Committee Presidium and Czech premier, and other representatives of the Czech central bodies.

Evzen Erban, chairman of the Czech National Council, recalled in his opening speech that on 1 January next year it will be 10 years since the constitutional act of the Czechoslovak federation and thereby also the activities of the Czech National Council as the only legislative and supreme representative body of the Czech Socialist Republic, came into force. He stressed that the 10 years of experience of our constitutional arrangement has confirmed the correctness of the Leninist solution of the national question in Czechoslovakia. The deputy premier and chairman of the Czech Planning Commission, Stanislav Razl, delivered the report of the Czech Government on the fulfillment of the tasks of the Sixth 5-Year Plan in the Czech Socialist Republic.

DEPUTY PREMIER REPORTS ON PLAN FULFILLMENT

LD191226Y Prague Domestic Service in Czech and Slovak 1700 GMT 18 Dec 78 LD

[Summary] The Czech National Council discussed in Prague today the Czech Government's report on the fulfillment of the tasks of the Sixth 5-Year Plan in the Czech Socialist Republic.

"The report was delivered by Stanislav Razl, Czech deputy premier and chairman of the Czech Planning Commission. He said that among the main assets of the economy of the Czech Socialist Republic and of the CSSR is the growth of industrial production from 1967 to 1978. When preparing the plan for next year the government was aware that the basic political factor in further development is the positive results of the past 3 years.

"But the government analyzed with even greater frankness what has not been achieved. It stressed its serious concern at the situation in foreign economic relations with nonsocialist countries, the continuous strain in the supply of the national economy with all types of power, the long-standing problem of the level of management of investment building; he also pointed out that we cannot be satisfied with the development of the utilization of labor and recalled that, while there is an overall equilibrium on the internal market and the annual plan for retail trade is being fulfilled and overfulfilled, there are still shortcomings in the structure of supplies. Development in the coming 2 years, Comrade Razl said, will be based on the real growth of industrial, building and agricultural output corresponding to the potential resources of energy, raw materials and labor. The government has decided to proceed without compromise along the path of intensive development which in national economic parlance, means a faster growth in national income than in the social product. This means in practice fulfilling the plan with the greatest even reduction in material expenditure, indeed greater than as set out in the Sixth 5-Year Plan, Comrade Razl said."

RUDE PRAVO CITES INSUFFICIENT COAL RESERVES

AU162705Y Prague RUDE PRAVO in Czech 14 Dec 78 p 3 AU

[Ivan Soukup article: "Do We Lack Coal?; What Is the Truth?"]

[Excerpts] If we ask this question in connection with the state of preparedness of our fuel-power base for supplying electric power stations, industry and coal depots this winter, then we must say that the situation continues to be tense. Considerable frosts in the past few days have markedly aggravated the situation. The party and government bodies have taken binding measures, both in the interest of increasing the fuel extraction, and in the interests of a strict handling of fuel and of all kinds of energy. This year coal extraction roughly amounts to 123 million tons and it is becoming increasingly difficult and costly to raise it above that. That is why it is of such paramount importance to reduce fuel and energy consumption and to handle it frugally.

This year 123.6 million tons of coal were to have been extracted. But due to difficulties, particularly in the North Bohemian brown coal basin, this demand will not be totally fulfilled--especially since many extraction machines are not achieving the planned parameters, since there are delays in starting work with the new extraction machines, and also since there are difficulties in extracting coal and so forth. However, one could present a lot of proof that this is not the only reason for the tension in our fuel-power balance.

In the beginning we asked whether we have a lack of coal. In the physical situation in the depots for electric power stations and the industry, but in some places also in the depots for the population, we really do not have the necessary reserves. But in a number of examples we have shown why this is so. We still do not know how to handle the fuel and the production securely and frugally. That is why the substance of the tense fuelpower balance lies not only in the unfulfilled annual extraction in the North Bohemian brown coal basin or in the delayed coal transport, even though one must not excuse this; it lies primarily in the obsolete approach to the handling of fuel and energy. Thus, far more than we lack coal, we lack a purposeful attitude in reducing the consumption. We must realize this in time, since otherwise the tense situation in the fuel-power balance will not decrease--it will increase, with all the bad consequences.

UPCOMING CRUSADE AGAINST POOR QUALITY WORK NOTED

AU181328Y Prague RUDE PRAVO in Czech 15 Dec 78 p 1 AU

[Editorial: "To Raise Management to the Standard Corresponding to the Present-Day Demands"]

[Excerpts] The situation in enterprises will be--to a certain extent--more complicated next year. Not that we willingly want to see the life of enterprises become complicated, but we wish to strengthen the instruments of management that exert pressure for achieving the desired effectiveness and quality. The activity of enterprises will be assessed according to the plan for goods production, deliveries for investment projects, deliveries for the domestic wholesale and retail market, enterprise activity will be assessed according to the export deliveries to the socialist and nonsocialist countries, as well as to the plan of costs pertaining to the amended performance rates [upravene vykony].

Also, stricter criteria for penalizing low quality products will go into effect next year. Products that cause customer complaints because of the quality will no longer be regarded as a part of enterprise's production. This will affect the volume of wages and the funds for exerting material stimuli. We are taking these measures because the quality of production fully depends on the standard of management and on the work done in enterprises and plants. In our own interest we have to put a quick end to the state of affairs where faulty products make their way onto the domestic as well as foreign markets. What is involved is the strengthening of the principle of rewarding the work really done--and rejects or faulty products can hardly be regarded as such.

OIL PRICE INCREASE, SPECULATIONS ON IMPACT REPORTED

AU211408Y Prague LIDOVA DEMOKRACIE in Czech 19 Dec 78 p 2 AU

[(EK)-signed article: "Increase of the Crude Oil Price"]

[Text] From Abu Dhabi has come the long-expected decision. The 13 member-countries of the Organization of Petroleum Exporting Countries [OPEC] decided to increase the price of this raw material next year. The price will be increased every quarter: by 1 January crude oil prices will increase five percent and in the last quarter the importers will be paying 14.5 percent more than today. The price per barrel will thus reach $14.52 in the last quarter of next year.

The further price increase of the major energy raw material will have far-reaching consequences for the world economy; it will increase pressure on prices and deepen inflationary trends. These were the first responses of the Western press and prominent officials which appeared immediately after the session. It is stressed at the same time that the decision of the OPEC ministers represents a defeat of U.S. diplomacy, which was trying--using Saudi Arabia as a mediator--to exert pressure on the producing countries not to increase the price of crude oil.

According to reports from Abu Dhabi, there were sharp differences of opinion between the Saudi Arabian Minister Shaykh Yamani and his partners at the 2-day conference. While Saudi Arabia and the emirates opposed a radical price increase, Libya, Algeria and some other countries demanded a price increase of this raw material of up to 30 percent. Yamani finally succeeded in at least bringing about gradual price increases, which will mitigate the unfavorable impact of this decision on the world economy.

The session of the OPEC countries again underlined the importance of energy problems, to which the advanced capitalist states are devoting great attention. Up to the beginning of the seventies this question was peripheral, one barrel of crude oil cost a little more than $2 and the advanced capitalist countries were unambiguously oriented on oil. At that time only some common market analyses were pointing to the danger of one-sided orientation to crude oil in view of its deposits lying outside Europe, above all in the Arab countries. Such misgivings turned out to be well founded after the Arab-Israeli conflict of 1973 when the Arab states first declared an embargo and then considerably increased the price of the "black gold" (approximately fourfold).

The advanced capitalist states were all of a sudden facing a problem the solution of which was like making a square out of a circle. On the one hand their economies were primarily oriented toward crude oil and on the other hand the balances of payments of all states immediately deteriorated considerably. Especially the Common Market countries began to feverishly ponder over a new energy policy but so far they have not succeeded in finding an adequate replacement for this most important energy raw material. The Common Market commission in Brussels issues one expert report after another but the import of the "black gold" still costs some $50 billion is spite of maximum savings and the attempt to replace crude oil with other raw materials. The Washington representatives are also pursuing feverish activities, President Carter's energy program has not, however, encountered great enthusiasm.

The Arab states gained in the past few years great means which did not, however, always bring such advantages to these countries as might be expected. Saudi Arabia invests primarily abroad and its "petrodollars" frequently cause speculative pressures on foreign currency stock markets. In a number of other countries these profits "evaporated" due to bad management and squandering (Iran). Large industrial enterprises were built around the Persian Gulf but they have not been put into operation because of the lack of skilled labor, materials and sales. A number of projects have been built just for the sake of prestige and have not benefited the economy of Arab countries. And the efforts to increase imports are so great that soon only Saudi Arabia and Kuwait will have positive balances of payments, should these efforts not be curbed.

The Western economists are now feverishly speculating and assessing what impact the increased crude oil prices will have on further economic development . The inflationary trends will undoubtedly be deepened and the difficulties of economic growth will increase. Only the large oil monopolies have reason to celebrate because they have always profited from increases in crude oil prices. It will be the same this time, too.

BRIEFS

USSR CHEMICAL COOPERATION--Bohumil Urban and Alojz Kusalik, ministers of industry of the Czech and Slovak Socialist Republics, met this Friday in Bratislava with Leonid Osipenko, first deputy minister of USSR chemical industry. Among other things, they informed each other about the results of negotiations of the permanent working group, which had ended the same day in Bojnice with the signing of the concluding protocol. [Text] [Prague RUDE PRAVO in Czech 9 Dec 78 p 2 AU]

PEOPLE'S CHAMBER POSITION ON MOSCOW DECLARATION

AU181442Y East Berlin NEUES DEUTSCHLAND in German 16-18 Dec 78 p 1 AU

["Statement of the GDR People's Chamber on the Moscow declaration of the Warsaw Pact participating states"]

[Text] The GDR People's Chamber welcomes the declaration adopted by the Warsaw Pact participating states at the Political Consultative Committee session in Moscow on 23 November 1978. It supports the appeal directed to the peoples and states of the world to use all their strength in order to preserve and lastingly secure peace, mankind's most valuable possession.

The Moscow initiative gives a clear and constructive reply to the burning issues of our time. It is oriented toward the next steps needed to end the arms race fanned by NATO, to proceed to disarmament, and to make detente irreversible. It opens realistic opportunities for further improvement of the international political climate and gives fresh impetus to the struggle against the aggressive policy of imperialism and other reactionary forces. NATO has launched a long-term program of intensified rearmament. The Warsaw Pact states are taking new pathbreaking peace initiatives. This shows where peace, international security and detente have their homestead.

From Moscow emanates the call to all states and peoples to intensify their struggle to achieve a decisive turn toward disarmament. This is required by the vital interests of all peoples, for the safeguarding of which parliaments and parliamentarians bear a special responsibility. The more actively and effectively they use their authority to fill the life the peace program contained in the Moscow declaration, the better they will live up to their mandate. The GDR People's Chamber declares: The GDR people and government will continue in the future, together with the Soviet Union and the other fraternal socialist countries, with all peace-loving and democratic forces to make their constructive contribution toward preserving and consolidating peace and security. It appeals to the parliaments of all states to increase their efforts so that peace may become permanent in the peoples' life.

NEW LIGHT INDUSTRY MINISTER APPOINTED

AU181502Y East Berlin NEUES DEUTSCHLAND in German 16-17 Dec 78 p 2 AU

[Summary] Berlin (ADN)--"The press office of the Council of Ministers chairman announces: After Werner Buschmann's election as member of the Council of Ministers by the People's Chamber, he was appointed minister of light industry by Chairman of the Council of Ministers Silli Stoph. At the same time Dr Karl Bettin resigned from this function at his own request, for reasons of health." The Council of Ministers chairman wished the new minister success and energy for his responsible activity and at the same time thanked Dr Karl Bettin who is to take over a leading function in the field of science for his valuable work. On 15 December Minister Buschmann was sworn in by State Council Chairman Erich Honecker. Werner Buschmann was born in 1931, a son of a workers family. He obtained professional training as an administration employee, worked from 1948-52 in local state organs, and from 1952-61 in the State Planning Commission. In 1957 he obtained an economic's diploma at the Leipzig Karl Marx University. From 1962-1976 he held responsible functions at a machine-building enterprise and at the ministry of bezirk-administered industry and food industry. In 1976 he was appointed state secretary at this ministry, between 1968 and 1976 he held responsible functions on the staff of the SED Central Committee, and in 1976 he was elected a member of the Berlin SED Bezirk leadership.

HERRMANN SPEAKS AT NAMING OF PARTY SCHOOL

LD211915Y East Berlin Voice of the GDR Domestic Service in German 1500 GMT 21 Dec 78 LD

[Text] The name of Karl Liebknecht was awarded to the party school under the SED Central Committee in Kleinmachnow to mark the 60th anniversary of the founding of the Communist Party of Germany. The document signed by General Secretary Erich Honecker was presented by Joachim Herrmann, Politburo member and secretary of the Central Committee.

In his address, he referred to Karl Liebknecht's legacy, which has become socialist reality in the GDR. Proceeding from the decisions of the ninth Central Committee meeting and on the threshold of the GDR's 30th anniversary, stressed Joachim Herrmann, it was important to act in Liebknecht's spirit with as much energy as possible for peace, socialism and the well-being of the working class and against imperialism and war. Today it is important to be filled anew with combat readiness under the fundamentally changed conditions of the balance of power between socialism and capitalism. The victories we want to win require the full involvement and struggle by each of us.

SOVIET AMBASSADOR HOSTS FDJ OFFICIALS

DW211954Y East Berlin Domestic Television Service in German 1850 GMT 21 Dec 78 DW

[Text] Guests of a friendship meeting in the Soviet Embassy in the GDR today were officials and members of the FDJ. Taking part in the meeting was Politburo member and SED Central Committee Secretary Paul Verner. Ambassador Petr Abrasimov in an address paid tribute to the important role of the youth in preparation of the GDR 30th anniversary. He thanked the FDJ members who had excelled in the construction of such important objects as the Soyuz natural gas pipeline and the Ust-Ilimsk wood-industry complex. He wished the GDR youth a successful preparation for the national youth festival. Egon Krenz, first secretary of the FDJ Central Council, affirmed the friendship of the young people with the USSR and the Leninite Komsomol, which in his words has been of fundamental importance for the building of socialism in the GDR.

BRIEFS

SOVIET MINISTERS VISIT--On 13 Dec Werner Krolikowski, first deputy chairman of the GDR Council of Ministers, received Prof Dr Volodarskiy, member of the USSR Council of Ministers and head of the State Central Administration for Statistics. Tasks of statistics in guiding and planning the national economy, particularly in settling [abrechnen] the tasks set forth in the decisions of the party-state leadership were dealt with in the friendly talks, which were also attended by Prof Dr Arno Donda, head of the GDR State Central Administration for Statistics. [Text] [East Berlin NEUES DEUTSCHLAND in German 14 Dec 78 p 2 AU]

JOURNALIST'S RETURN FROM VIETNAM--Dr Werner Scholy, chief editor of the journal NEUER WEG, visited the Socialist Republic of Vietnam [SRV] at the invitation of the Central Committee of the Communist Party of Vietnam [CPV] At the conclusion of his visit he was received by To Huu, Politburo candidate member and secretary of the CPV Central Committee. The visit to the SRV was for the purpose of exchanging experiences with the Journal CONG SAN and with party officials of basic branches in Hanoi and the city party committee of Ho-Chi-Minh city. [Text] [East Berlin NEUES DEUTSCHLAND in German 14 Dec 78 p 2 AU]

REPORTAGE ON NATIONAL ASSEMBLY SESSION

Huszar Addresses Assembly

LD211348Y Budapest Domestic Service in Hungarian 1730 GMT 20 Dec 78 LD

[Report on speech by Istvan Huszar, deputy chairman of the Hungarian Council of Minister, member of the MSZMP Central Committee Politburo, at the National Assembly session on 20 December]

[Text] Talking about 1978, Istvan Huszar said that despite the fulfillment of certain planned targets the balance has not improved, though the government has taken a number of correct measures and the increase in the national income during the last 3 years was less than envisaged in the 5-year plan, which means that available domestic resources are less. Although the population's consumption has remained within planned limits, internal utilization has grown by 6-7 percent and is not only higher than planned but considerably exceeds the increase in national income itself.

[Huszar--Begin recording] A consequence of the deficiencies in domestic economic work is that the principles and requirements of the economic policy of the Fifth 5-year Plan have not asserted themselves consistently at all levels of economic direction and activity. Objections can be made to the lack of harmonization in economic direction, planning, economic regulatins and certain economic decisions. In the light of all this we no longer have the right to point to foreign factors. We have to examine and confront ourselves. We must draw the proper conclusions from the fact that the principles and requirements of economic policy contained in the 5-year plan have not always asserted themselves in practice in economic direction and decisions. The aspiration is still strong for every branch and enterprise to get by and prosper irrespective of its activity's efficiency.

Thus economic direction has not always been sufficiently consistent in enforcing the requirements, individual subsidies for enterprises have become sidespread, giving priorities with no regard to principles, and the practice of unmerited support has also increased. The analysis of the situation is not quick enough, there is no proper sensitivity to problems and so economic organization according to merit aimed at finding solutions is delayed. Dynamic initiative and self-reliant attitudes are not appreciated, as would be desirable, and there are no sanctions and no proper consequences following bad or obsolete work.

Planning, too, must accept the blame. The international conditions for development have become worse than expected and, unfortunately, planning cannot be precise this regard. But it is our own fault that we have somewhat overestimated the expected improvements in efficiency and the production structure. So proper measures for direction and regulation have not been taken soon enough. We based our hypothesis on economic development and rising living standards on excessively optimistic foundations.

We reject only undue criticism of the enterprises but we cannot remain silent about the fact, not unknown in enterprise circles, that a considerable part of the leadership's energy is used not for maximizing utilization of reserves, for insuring flexibility and increasing economies, but for obtaining various benefits and easing the requirement. We must state objectively, and this is no fault of the enterprises, that these so-called actions have been mostly successful, and economic compulsion aimed at more effective economic activity and transformation of the production structure is having no proper effect.

Esteemed National Assembly, it is completely justified that we should give priority to the questions of economic balance in planning and in everyday practice, that is to say that by laying greater emphasis on quality factors and efficiency we should insure the well-balanced development of our economy. Any other tasks must be subordinated to this. This is the road that leads to the targets we have set in the Fifth 5-Year Plan and in general in the building of a socialist society. [end recording]

On the basis of all this uneconomical production, exports must be reduced but in such a way that the ministries should avoid petty interference in the work of the enterprises and should help the leaders take initiatives and reasonable risks. The necessary movement of labor must be promoted to insure the sufficient number of workers in, for instance, commerce and transportation. It is very important to discard obsolete views which regard quantitative production as decisive.

The outlook of "production no matter what the cost" is an incorrect one. We must not produce at a deficit. It is not true that progress can be made only by technical development and with the most expensive and latest equipment, irrespective of economic use and price, while there could be opportunities for improving organization and entering into better cooperation. Progress is not without problems, but progress means nothing else but overcoming obstacles. What has been said about economic regulators and the standard of living justifies this, as well as the possibility of improvement.

[Huszar--begin recording] With the general restriction of economic regulators and further reduction of individual subsidies and exemptions we wish to insure that the enterprises meeting the important requirements in internal and foreign trade should be provided with possibilities for making greater profits and paying higher wages. At the same time those enterprises, which are unable to contribute properly to the main economic objective, should receive smaller profits related to their achievement and should be encouraged to make changes necessary for more efficient activity.

In the field of accumulation and investment we are restraining [word indistinct] the increase in stocks will be considerably less, and so we can plan for increases in the standard of living and consumption of the population. In this, too, our endeavor is expressed that the population should be treated not primarily as consumers but rather as workers in production and members of the enterprise collective. In the latter case, however, it should be felt more strongly that the changes leading to the balance improvement and the further rise in the standard of living should take place in production.

It must be said frankly, however, that in these circumstances, when real income and real wages are increasing only to a moderate extent on the national average, there may be inevitable stagnation or a decrease for certain groups of families. We will invariably insure, however--and this is a basic feature of our living standards policy--that the living conditions of each social stratum will appreciably improve during the 5-year plan period. Our aim must be first of all to insure that the living standards and incomes of those who by their good work are making outstanding contributions to solving our economic problems should rise considerably, while the incomes of those who make little contribution to the common good should increase to a small degree or not at all. This is the principle served by restrictions in wage regulations, and public opinion is in agreement with them. Instead of explanations and exemptions we must eliminate any egalitarianism which contradicts the basic principles of socialist society: Distribution according to work, no matter who is affected by it. [end recording]

Gaspar on Economic Tasks

LD211208Y Budapest MTI in English 1826 GMT 20 Dec 78 LD

[Text] Budapest, December 20 (MTI)--Sandor Gaspar, member of the HSWP Political Committee and general secretary of the Central Council of Trade Unions, contributed to the debate on the 1979 budget bill at parliament's Wednesday afternoon sitting. In the first place he expressed his understanding with the objectives contained by next year's financial plan and budget proposal.

Speaking about the tasks he stressed: "The question now is how the level of economy, of productivity could be raised; How we could work more economically and with better efficiency. We have got to attend to realization of the quality requirements in compliance with our objectives, with due firmness and responsibility as required by our situation, by appropriate selection of the branches of development and with a more differentiated control of wages and salaries. Our people's economy has the ability to renew itself: The achievements and the standards attained so far must be preserved and strengthened. We have to gather strength in order to be able to create even better conditions to a more rapid progress in the future."

The speaker pointed out that "having duly considered the achievements and problems so far, the latest session of the Hungarian Socialist Workers Party defined realistically our development trend in the coming year, as well as the measures required to its realization." "We must take advantage of and better exploit the possibilities offered by socialist society. In order to realize our 1979 goals we must work better than now, and this cannot be the option of 'I do or do not want it'."

"It is inadmissible in the socialist economy that it should turn out only at the end of a certain period--and should cause great surprise at an enterprise--that the goods they had been producing cannot be sold economically on foreign markets, that the machines or raw materials imported for hard currency from the capitalist countries could have been bought in the socialist states, or that for one reason or other the expensive imported machinery are not being quite fully exploited. We cannot afford either that it should turn out of any enterprise that while they are continuously reporting about success, most of their workers be totally unaware of the fact that the goods they have produced are unsaleable both home and abroad or can be sold with significant deficit only."

Speaking about the modification of the system of economic regulators Sandor Gaspar emphasized that "we must agree with the planned and partially effected modifications even if we are aware that they face the workers, the managers and the whole collective with hard jobs in most of the factories and economic units." He pointed out also that "the manager's work, too, has its norms. It is an indispensable requirement that the manager should do a good job, that he should dare and be capable of keeping control over his staff. It is an elementary requirement of the performance of a good job that the worker should feel: There are requirements, rewards too--but if needed--there are reprisals."

The general secretary of CCTU called the tasks contained in the 1979 plan and budget proposal realistic, and established: "The consistent realization of our economic objectives cannot exempt anyone from jobs connected with the improvement of living and working conditions, with strengthening workplace security and democracy and with the improvement of the general atmosphere at workplaces."

"He pointed out that the living standards would be augmenting also in 1979. The real wages and incomes are expected to go up. In line with our earlier efforts the wages must better reflect the actual performance behind them, and profit gains the actual profitability of the specific enterprise." In the closing part of his address Sandor Gaspar explained: "Looking back into the past and assessing the results of our work we are glad and proud, and looking into the future we are optimistic because our objectives are correct and we have the necessary means to reach the desired end."

Faluvegi Budget Speech

LD211240Y Budapest MTI in English 1720 GMT 21 Dec 78 LD

[Text] Budapest, December 20 (MTI)--Wednesday, on the first day of the Hungarian Parliament winter session--as was reported earlier today--Minister of Finance Lajos Faluvegi tabled the bill of the 1979 state budget. He addressed the house and said: This presentation of the 1979 state budget bill was preceded by a detailed and critical analysis of the economic position, examining the processes that have taken place in the so far elapsed three years of the economic fifth 5-year plan. In this work and in the fixing of tasks we were relying primarily on the decisions that the HSWP Central Committee had taken on 6 December 1978 and earlier.

Analysing the position of Hungary's national economy, the minister called attention to the dynamic development we have managed to maintain in the past years. The productive assets of the economy have multiplied and have come up to contemporary standards while a good deal more than the plan estimate has been expended for accumulation. An increase according to the plan targets has been recorded in the productivity rate of labour and in the foreign trading business. But depite all efforts we fell short of the mark in evolving the processes that would durably assist a more effective development of the national economy. Neither did the quality requirements of development prevail in a sufficient degree. The production and the sales structure have improved in a few enterprises but not widely enough. Thus the process of turning the structure more economic on the whole is advancing at a tardy pace.

All this--the minister said--bears a share of the responsibility that the economy's conditions of balance failed to improve, in other words that progress has been slower than we should have liked in adapting ourselves to the changed conditions of international trade. The national income we produced in each of the last three years as well as in 1978 was not fully covered the utailization rate, meaning consumption and accumulation taken together. Thus, to reach our goals nevertheless, we had to fill up the gap by extra imports are by drawing on credits.

The principal target of the 1979 national economy plan--Faluvegi pointed out--is to improve the state of balance. "A step-by-step establishment of the rate of balance will only be possible if we slow down the rate of growth and simultaneously let the marks of intensive economic development more vigorously unfold themselves--if a new type of interplay is achieved between rate of efficiency and rate of growth.

For 1979 we reckon with a low rate of increase than in 1978 for production and for the national income. Production on the whole should increase by 3-4 percent, more particularly by about 4 percent in the industry, 3-2.5 percent in agriculture and 1 percent in the building and fitting trades. Under such reduced rates of increase the economic balance has a fair chance to improve it profitable exports go strongly up and the rate of growth for imports is cut--in other words if we are drawing to a smaller degree on external sources.

"Within this scope we have calculated to mould the foreign-trade turnovers with the CMEA countries according to estimates laid down in (?long-term) interstate contracts so that exports should be adjusted to the chances of increasing the imports."

Next year consumption may only grow little and the rate of accumulation must diminish. The general consumption figures should be allowed to increase only by 2.5-3 percent whereby a constancy in the rise of living standards--if modestly and not for every strata of society--can be attained.

In 1979 the per capita rate of nominal income will be 7 percent higher and the consumer price level will be 4.7-4.9 percent higher than they were this year. Official price rises and market conditions--like in previous years--will equally exercise influence upon the climb of the consumer price level. Eventually the per capita rate of real income will stand 2 percent higher.

The long apportioned pension rates in the lower brackets will be fixed higher as from 1 January 1979. This provision touches upon the incomes of 1.3 million pension holders and involves an extra expense of 1.8 million forints. Apart from that there will be a supplementary rise of at least 70 forints per month for every pension holder, this is tantamount to an average 4.8 percent, involving an extra of 1,700 million forints.

Investment expenditures will be a little higher than in 1978, something between 204 and 206,000 million forints. The trend is to employ the financial resources for the completion of projects in the state of progress, rather than for the start of new ones. It remains an objective of the economic policy that direction should affect the economic processes primarily through the means of economy but should rectify them wherever necessary by resolute and unmistakeable measures.

Next year the company taxes will be fixed higher. The general profit tax rate will be 40 percent instead of 36 so far. More rigorous rules will govern the raise of wages and salaries.

New investment credit loans will be granted to producer companies mainly if these increase their capacities to manufacture competitive, up-to-date, readily exportable goods. The government has raised the credit funds originally fixed for this purpose in the Fifth 5-Year Plan (1976-1980). These types of investment necessitate the purchase of machinery a good deal over the average, mostly in the form of imports. "Mainly this--the minister remarked--was our purpose, whenever we have drawn on foreign credits--a practice we have in mind to carry on in the future."

Producer prices measures in limited extent, to go on adjusting ourselves to the international price conditions, will also be taken in 1979. The prices of certain metals, chemical industry raw materials, semi-finished goods and building materials will be fixed higher. Most important for every concerned enterprise is it to switch from no-gain to profitable goods.

The sum total of the 1979 budget revenues is 407.2 million forints--topping last year's by 23.7 millions. The sum total of budget expenditures is 410.8 million forints, leaving a 3.6 million forint estimated deficit, nearly equal to that of last year, with the intention to be covered from credit funds.

The sum of price subsidies in connection with imports will be 3,000 million forints, more than 25 percent in excess of this year's although the rate for a certain group of products will drop. For reasons of constant world market price rises, the government finds itself compelled to go on increasing the price subsidy rate for such products as crude oil, gas oil, natural gas, chemical industry petrol, coal, coke and protein fodder.

Consumer price subsidies, too, will be raised by a total of 2.5 million forints, or 6 percent. More than one half of this rate refers to food sales and passenger transport.

As far as newly completed investment projects are concerned, normal production in 1979 will start in the sugar factor of Hajdusag, the Tisza oil refinery and the cement factory of Belaptfalva and gas transport will take its beginning in the Soviet-Hungarian gas pipeline, portion 3.

In 1979 a total of 90,000 flats are due to be built from government and private funds.

Some 40 percent of the budget expenditures, or 164.5 million forints will be used for social welfare purposes, including the public health service. The per capita share of budget expenditures in 1979 will be 6,000 forints for social insurance, 1,700 forints for health and social provisions, 2,900 forints for culture and education, 1,800 forints for communal expenses.

A lower than average rate in 1978 will increase the financing of administration. A decree containing rules for administration have made it obligatory for the ministries and local councils to cut their staffs by 5 percent up to 1980 but most of the concerned organizations have concurred with that order already by the end of 1978. As a result that size of staffs in the whole of public administration has dropped by about 2,000.

The local council budget estimates for 1979 add up to 52,000 million forints, or 6 percent more than in the previous year.

Next year nine districts will be wound up in Hungary and as many will assume the township status, with 30 new municipal councils to be established, another 52 settlements will be raised to suburban borough status.

In the closing part of his speech, the minister of finance once more pointed out that the most important task of the collectives for 1979, in whatever sector of the economy they may be employed, is to watch over the constancy of efficiency and quality. Finally Lajos Faluvegi recommended the 1979 budget bill for acceptance to the House.

Budget Unanimously Approved

LD211806Y Budapest Domestic Service in Hungarian 1100 GMT 21 Dec 78 LD

[Summary] Julia Tardos and Geza Foldvari report from parliament on the winter session of the National Assembly: "A short while ago, the deputies unanimously accepted and so made law the bill for Hungary's 1979 budget."

The debate on the report of the minister of finance continued this morning, and the debate on the new penal code will start soon. Three deputies have indicated that they wish to put questions to the minister.

Istvan Huszar and Sandor Gaspar spoke in yesterday's debate on the budget. Today's debate began with an address by Minister of Labor Ferenc Frethon who spoke on how to realize objectives in the budget with the manpower available. It has often been said that there is a shortage of manpower. The solution lies in better, more sensible utilization of work time. Because of low productivity in Hungary, there are more places of work than manpower available. This is a source of tension in the manpower situation. It is, therefore, essential to release manpower and to decrease the number of unprofitable places of work through the utilization of technical development and organization. The minister of finance noted yesterday how much the average wage is to increase, and the minister of labor noted in his address that this is an average figure the real increase depends on the results achieved by individual enterprises.

Trethon said that the modification of the wage system is conditional to higher productivity. Strengthening wage differentials according to the quantity and quality of work performed assists the increase in production by individuals and enterprises.

FOCK VISITS OBUDA, GYENES IN UJPEST

LD191758Y Budapest Domestic Service in Hungarian 1400 GMT 19 Dec 78 LD

[Text] Jeno Fock has visited Obuda and Andras Gyenes has visited Ujpest. Jeno Fock, Politburo member, has attended an extended activists' meeting on the Budapest third district's party committee at which a briefing was given on the 6 December session of the Central Committee. The committee then discussed next year's most important tasks. After this, Jeno Fock discussed political and economic situation at the Ujpest party committee. He later inspected the construction of the town center and visited the Danube shoe factory.

BRIEFS

TRADE WITH ROMANIA--A Hungarian-Romanian protocol has been signed in Bucharest, in accordance with which the two countries are to expand their range of retail supplies, organize exhibition exchanges between stores and expand commerce in the border area. Karoly Molnar, Hungarian deputy minister for internal trade, was received by Janos Fazekas, Romanian deputy prime minister and minister of domestic trade. [Text] [Budapest in Hungarian to Australia and New Zealand 1000 GMT 15 Dec 78 LD]

NORWEGIAN COOPERATION PROTOCOL--A protocol on negotiations by the Hungarian-Norwegian mixed committee for economic, industrial and technical cooperation was signed in Budapest on 8 December. The development of cooperation between the two countries was discussed at the talks. It was established, among other things, that it is necessary to intensify efforts, both on an official and enterprise level, to exploit joint interests and boost enterprise cooperation primarily in the machine industry, the food industry, the furniture industry and the pharmaceutical industry. [Text] [Budapest NEPSZABADSAG in Hungarian 9 Dec 78 p 4 AU]

SEJM SESSION HELD, 1979 PLAN DISCUSSED

Meeting Opens 20 Dec

LD211120Y Warsaw Domestic Service in Polish 1800 GMT 20 Dec 78 LD

[Excerpts] The meeting of the Sejm opened today at 1600. Edward Gierek and Henryk Jablonski are on the Council of State benches; Premier Piotr Jaroszewicz and members of the cabinet are on the government benches.

The meeting was opened by Sejm speaker Stanislaw Gucwa. The Sejm paid tribute to the memory of recently deceased deputy Waclaw Szymczak with a minute's silence. Next the Sejm approved a resolution concerning the filling of the vacancy in the Gliwice electoral district No 23 by Helena Kurnatowska, who was sworn in.

Next came the second reading of the bill on the national socioeconomic plan for 1979, and the 1979 budget bill. A report by the Economic Plan, Budget and Finances Commission on these bills was read by the rapporteur general, deputy Jozef Pinkowski. Here are extensive excerpts from his speech:

[Pinkowski--Begin recording] Citizen Speaker: May it please the House:

The main features of next year's plan and budget are as follows:

First, our efforts to provide the necessary conditions for further improvement in the living standards of our people, and in particular to increase real incomes--and this includes wages and social benefits--to further improve our market situation, and to rapidly develop housing and municipal building work,

Second, the continuation of our work in consolidating economic equilibrium, and the maintenance of proportions in our country's developments;

Third, a further increase in our requirements in improving the effectiveness of management of all production resources, and this includes labor, raw and other material resources, and our whole production potential.

These guiding ideas of the draft plan and budget have gained the Sejm commission's full approbation.

Citizen deputies: In outline, our plan envisages a further increase in the rate of consumption in the national income; we will allocate for this purpose 70.9 percent of the national income available for distribution. This will be reflected in the planned increase of between 1.1 and 1.4 percent in the real incomes of our population; this includes an increase of between 1.5 and 2.0 percent in real wages. It will also be reflected in a substantial increase in budget spending on public consumption, and this includes payments on account of old age and other pensions.

In this situation considerable tasks face all producers of market goods and services. The draft plan provides for an increase of more than 9 percent in the supplies of market goods, and of more than 10 percent in services to the general public.

In supplies for the consumer, the provision of goods is of fundamental importance. Next year, food supplies will increase by more than 10 percent and this will have the effect of further improving the situation in this sector.

This, however, will depend on the development of agricultural output. According to the plan, next year agricultural output should increase by between 3.9 and 4.8 percent.

The development of housing is, together with our agriculture and food sector, of particular importance for the further improvement in living conditions. In this sector the draft plan provides for the construction of at least 337,000 new apartments, and also for the renovation of old apartments. This will represent a further, 12 percent increase in the number of apartments we build. This will enable more than 1 million people of our country to move into new apartments next year.

Next year investment outlays on housing will account for 27 percent of all investment outlays; outlays on agriculture and the food sector will account for 26 percent of total outlays. In all, we will allocate more than half of the investment resources to tasks of nationwide importance; tasks of decisive influence on the life of every family.

May it please the House: The total increase in the created national income will amount to over Z52 billion; in other words, it will increase by 2.8 percent. In the distribution of national income, apart from the already mentioned increase in the consumption fund, a cut in the share of investment is a characteristic feature; the cut will be reduced from about 25 percent this year to about 21 percent in 1979.

By providing increased outlays for the implementation of our basic socioeconomic aims, we are trying to create a new investment structure, adapted to new development conditions; by the measures we are adopting to make better use of our potential, we are also trying to increase the role played by noninvestment factors in socioeconomic development.

The changes in the structure of industrial output, which we provide for in the plan, are one of its key features. We are trying to adapt this structure more thoroughly to the regroupings of capacities and resources of our economy, which is being carried out in accordance with the decisions made at the fifth and ninth Central Committee plenums. Given a 4.9 percent increase in industrial output, and given the forecast supplies of raw and other materials, we are assuming that production for the market will increase by 7.7 percent, and for export by 9.6 percent. Production for market and export should constitute nearly half of the total value of goods produced.

Next year's draft plan provides for a 7 percent increase in foreign trade; this includes a 9.1 percent increase in exports and a 5.1 percent increase in imports. The trend toward greater growth in exports than in imports, for which we have provided, will result in a further, advantageous reduction in our foreign trade deficit next year.

Next year we should achieve a further increase of 5.3 percent in industrial productivity, and a 3.4 percent increase in productivity in the construction industry. We regard these aims as realistic when we consider the increased productivity which we have been achieving, and the progress which is being made in providing technical equipment for labor, and in improving workers' qualifications. At the same time this increased productivity is socially indispensable because we are entering a period of rapidly declining growth of labor resources, and our development must increasingly be based on this factor by providing for our essential needs in the field of employment growth in services for the consumer and farming.

May it please the House: The development aims of the plan have been fully taken into account in the draft budget, which is the basic financial plan of the state. The increased tasks we are facing in particular in the development of social consumption, of housing construction, and of the food sector, call for a substantial increase in the state budget expenditure. This is why we have provided for a 7.6 percent increase in that expenditure.

One of the important tasks of the budget will be to continue our wide-ranging social insurance program, within the framework of which the expenditure from pension funds will increase by 22 percent. On the basis of the system of pension benefits, which has been radically developed in recent years, we will carry out tasks covering the whole of our community. This includes social and pension benefits for farmers, which will increase considerably.

The general consumption subsidies we provide to maintain food prices when its production costs rise, and the supplementary payments we make to the municipal and housing sectors constitute a growing item in budget expenditure. In all, this expenditure amounts to Z320 billion. Altogether, subsidies and additional payments connected with consumption, both public and individual, represent the basic proportion of state budget expenditure. When we compare them with the number of Polish citizens we find that on average next year the state will allocate from its budget--apart from the wages and remunerations fund--about Z16,000 per person for purposes closely connected with living conditions. [end recording]

Jaroszewicz Delivers Speech

LD220042Y Warsaw Domestic Service in Polish 1800 GMT 21 Dec 78 LD

[Text] The Sejm resumed its debates at 0900 this morning. Edward Gierek and Henryk Jablonski took their seats on the State Council benches and Premier Piotr Jaroszewicz and members of the cabinet sat on the government benches. The debates then proceeded. In all, 18 deputies spoke in the debate on the 1979 plan and budget. Piotr Jaroszewicz, chairman of the Council of Ministers, spoke at the conclusion of the debate:

[Jaroszewicz--Begin recording] Citizen Speaker: May it please the House: We have been putting into practice for 8 years now the strategy laid down by the sixth and seventh party congresses. In that period we have achieved a very great deal: We have accelerated our country's development to an extent which could not have been achieved previously. This is confirmed by the scale of the development and modernization of our manufacturing capacity, full employment, growth of labor reserves in new enterprises, the momentum of housing construction, an unprecedented growth in wages, farmers' incomes and social benefits and, consequently, growth in individual and collective consumption.

Without acknowledging these achievements--by ignoring or belittling them--it is impossible to understand the main, dominating content of the current period in Poland's development, and the nature of the problems facing us. I say this because today we are solving them while holding immeasurably more possessions, but also amidst considerably greater social needs. In the present conditions, good work and good management are assuming greater importance. This was discussed at length at the 13th plenum of the PZPR Central Committee.

For some years now, the conditions upon which Poland's development depends have been worsening. At present we are being forced to deal with socioeconomic tasks in a situation which is incomparably more difficult than in the last 5-year period.

This is linked with--and we have spoken about this on a number of occasions--the long-standing and deepening recession in the capitalist countries, with limited opportunities for export and therefore for import, with the consequences of several years of crop failure, and with stresses in the power and transport industries; the development of which was seriously delayed in the sixties, and which, by the nature of things, requires long-term and capital-consuming investment, and which even today is not keeping pace with the economy's progress and consumer needs.

Nor are we short of difficulties of a subjective nature, arising above all from the continued ineffectiveness of management in many economic organizations, enterprises and administrative bodies despite efforts to overcome this. Citizen deputies have devoted much critical comment to these matters.

The coming year will, according to plan provisions, be a period of continued economic development and expansion of its potential, and of the further, consistent implementation of our social program. The nature of the obligations which we will shoulder in our concern for the living standards of working people is well described by the words of Comrade Edward Gierek at the 13th plenum of the party Central Committee: When the national economy was facing several difficulties which threatened the implementation of social aims, we consciously decided not to lower our targets in this field. But taking into account the more difficult internal and external conditions, we have thought it desirable to carry out an appropriate regrouping of capacities and resources, and to improve the effectiveness of management.

To be able to cope with this we shall persistently consolidate the economic plan embarked upon at the end of 1976, and we shall raise to a higher standard the quality of work done by all economic organizations, the entire state administration and leading cadres at all levels.

May it please the House: In the activities of the government, the foremost place is occupied by the problems of improving market supplies. The significance of figures which demonstrate our effort is telling: For 1976-79 the investment outlays for the development of market production will total about Z270 billion. Investment outlays for the whole complex of the food sector will amount, for the same period, to Z582 billion and will be more than Z20,000 greater than provided for in the 5-year plan.

In the same period, the import of grain and fodder necessary to stimulate animal rearing will amount to nearly 30,000 tons and will cost about $4 billion. To this end we have obtained 2-year loans and 3-year loans from the capitalist countries, which we now have to repay. We must remember here that our traditional food exports are declining with each passing year. The total of investment outlays for the food sector in 1976-79 will be much in excess of the 5-year plan. In 1979 the supply of foods for the market will be Z55 billion greater than those provided for in the 5-year plan, and supplies of goods other than foods will be greater by about Z35 billion.

To achieve the planned dimensions of consumption we are endeavoring to take better advantage of the resources allocated for the development of market production and services; we are tightening the cooperation between industry and commerce and we are increasing the control and discipline of goods deliveries and their rational allocation; we are reaching more deeply into local reserves of provisions, and we are managing our reserves more carefully and reacting more rapidly to changes in demand.

In all cases, wherever the supplies of materials make it possible, we have authorized the economic departments and voivodships to exceed the production plan for market goods in demand. In addition, we have made provisions in the plan for a reverse of investment, payments and currency resources, which will help to increase this production.

Taking into account the increase in the population's real wages and incomes provided for in the plan, we have taken measures which are intended to keep the cost of living within the limits provided for in the plan by controling movements in prices, and by subordinating that movement to the provisions of the plan.

May it please the House: The key task in our agriculture is to improve the balance of grain and fodder by increasing the production of grain and fodders. Our farming has, at the same time, to manage its fodder reserves better, to improve the storage of fodder; and to protect it from the present considerable wastage.

Many farms set a good example in this respect. But these good experiences in both private and socialized farms are being too inadequately popularized, and after all, we are dealing here with matters of the greatest importance. On the basis of farmers' own fodder, and of the state fodder deliveries, which amount to 8.5 million tons, we must increase the size of our herd in 1979. This increase will be facilitated by the decisions adopted to support animal raising. We are also taking into account the continued development of production initiatives in the rural areas in the direction of increasing the raising of cattle. Our agriculture will get more production resources. The value of services will be increased, and this will also apply to the size of loans granted to private farmers.

May it please the House: In most regions of Poland, the housing program is being implemented satisfactorily, but there are voivodships and agglomerations in which delays are taking place. This applies in particular to Katowice, Warsaw, Krakow and Gdansk. What are the causes? The most important cause is the fact that the contracting capacities of building and engineering enterprises cannot fully cope with our considerable housing programs, which are dictated by increased employment linked with industrial development, the introduction of four-shift work in our mining industry, and also by the very poor state of our old housing reserves.

In 1979 we shall give maximum help to the agglomerations mentioned above. It is true that Poland's housing problem has not yet been solved, but we must be aware of and appreciate the scale of what has been achieved in the past 8 years. In 1979 we shall build about 340,000 flats, whereas in 1970 as few as 194,000 were handed over to occupants. The standard of housing has clearly improved, as has the equipment used. The output of the whole housing industry which we have created is growing systematically, though not yet to an adequate degree.

May it please the House: We can be rightfully satisfied with the rapid progress made in the implementation of our social program. Outlays for its implementation are much greater than provided for in the 5-year plan. Social insurance and cash benefits, health care, the housing sector, education, culture, tourism and recreation are all being rapidly developed.

In 1979 we shall spend for this purpose from the state budget and from the workers' social and housing fund a total of Z343 billion, which is 10 percent more than this year, and nearly three times more than in 1970. We are streamlining the investment and exploitation activity in the health service. We shall speed up the construction and reconditioning of hospitals. In order to increase the number of hospital beds, we have begun to build simplified hospital pavilions. We are already putting into practice measures aimed at improving the supply of medicines, the production of which is based to an excessive extent on raw materials imported from the capitalist countries.

The enormous resources allocated for the implementation of the social plan should be used more purposefully, and in a socially useful way.

May it please the House: In the 1979 plan we provide for further changes in the structure of our industry, mainly for the benefit of the market and exports. But output for investment purposes will appreciably diminish. Our production capability is being increasingly affected by transport which, because of prolonged investment delays, is not keeping up with our economy's needs. When we consider our difficulties in this sector, we must take into account the fact that the services of public and industrial transport are rapidly increasing.

In 1979 we shall place more emphasis on efficient transport services for our main industrial centers, and in particular for the transportation of coal and goods for our rapidly developing steel industry.

In this connection, we are engaged in expensive and technologically difficult projects which will make it possible to increase the traffic capacity on the arterial routes from Silesia, and cooperation with them through communications centers. The construction, in cooperation with the Soviet Union, of the steel-sulphur railway line from the Bug River to Katowice, which we want to put into operation in the fourth quarter of next year, will provide considerable relief for the whole railway system.

The effective solution of transportation problems calls for dedicated efforts on the part of our railwaymen and all transport workers, as well as for much better efforts from all transport users, and in particular our industry and building sector. We must have mutual collaboration and greater discipline, particularly in the loading and unloading of goods, in all enterprises, on all stations and in all voivodships. To this end, we want to take advantage of every opportunity in the immediate future.

Citizen deputies: In the whole complex of next year's tasks the completion of projects within the limits of planned costs and the timely utilization of production and service capacities, particularly in key projects, is of great importance. Agriculture and the food sector, housing, and the fuel and power industry take the foremost place in our 1979 investment program.

Citizen deputies: A very important role in the implementation of next year's tasks will be played by our foreign trade, because our imports, so essential for our economy, are inextricably linked with our exports, and also with the repayment of foreign loans, which we use for the development and modernization of our economy, and also for imports of grain and food. We attach particular importance to the continued development of our economic cooperation with the Soviet Union and other CEMA countries. Among other things, the provisions in the plan for the largest growth in trade with the socialist countries expresses the consolidation of our integration links with the economy of these countries, and in particular with the Soviet economy.

At the same time, we devote much attention to our trade with the capitalist countries and that with the Third World. In this sphere the tasks we face are not easy, mainly due to the economic difficulties which the majority of capitalist countries are experiencing. The policy of protectionism, which is intensifying along with this, constitutes a serious obstacle to the development of international economic relations.

The main task of our foreign trade in 1979 is to increase exports and to continue the rationalization of imports. The thrifty management of resources allocated for imports is among the key factors in the improvement of effective management. In solving this problem, we are only at the beginning of the right road.

Citizen deputies: In 1979 we must achieve a more considerable and clearer improvement in the effectiveness of management.

The progress to date in this key sector is not sufficient and is not proportional to the production strength possessed, to the qualifications of our workers, of our technical personnel and to the development of sicientific progress. A fundamental improvement in the management of labor resources is essential, for we have entered a period of a diminishing increase in these resources, with a simultaneous and considerable increase in new production capacities.

A further increase in agricultural production must be achieved in the period of intensified retirement of the older generation of farmers. This demands that a larger number of young people stay in private farming. Urgent social needs for services, handicrafts, the agency system and the outwork system have induced us to channel a suitably increased number of competent people into these secotrs.

The plan for a gradual increase in the number of work-free days also binds us to the more efficient management of labor resources. This is why the rationalization of employment must run considerably more efficiently than it has up to now. More rapid and widespread progress is essential in the management of fuel, energy, raw materials and other materials. Currently, the most important issue is the economic use of coal and electricity. In 1979 supplies of coal to the population will rise--in comparison with the 1975--by 5.2 million tons. Supplies of electricity in the same period will rise correspondingly by 4.2 billion kilowats. Supplies of gas to the population will rise by half a billion cubic meters.

A greater increase in supplies of coal, electricity and gas to the population is not possible because we are limited by coal transportation possibilities and by the production power of the power industry. The implementation of the decisions made this year to speed up many investments in the power industry should bring distinct results only at the turn of the first and second quarters of next year. For this reason, each work place is obliged at present to keep to the strict regime of saving coal, electricity and gas; this conservation concerns to the same extend the householder and the communal economy. This is a civic dictate and it is in the entire country's interests to obey it.

The fact that we do not have inordinate difficulties in the energy supply sector and in fuel supply is due, as always to the devoted work of our miners, who carry out their tasks in a model way and exceed the tasks set them. An improvement in efficiency will also serve to streamline the functioning of the economy, the formation of organizational, economic and financial conditions favorable to high-quality and productive work, and to the discipline of good, economic management.

We are counting on this sector--and I stressed this at the 13th plenum on the results of production tasks undertaken to celebrate the 35th anniversary of People's Poland--and we are convinced that this will be the response of the entire country to the appeal by Comrade Edward Gierek.

Comrade deputies: An essential premise for the formation of next year's plan and budget is the results we achieve in the current year. Although we will doubtless not fulfill all the tasks, the balance for this year will, overall, be a positive one. In the course of implementing this year's plan, we had to change some of its tasks. This is a result of the need to adapt our economy to a changing situation--not to a faulty construction of the plan for 1978. If we hadn't decided to make those decisions and to bring the occurence of new phenomena under control, the consequences would have been even more severe.

This year's experiences will help us in carrying out our 1979 tasks. We already know that the conditions for their implementation can also change. Let me give you a recent example: The OPEC countries' decision to increase crude oil prices will, undoubtedly, cause new upsets in the world system of prices of basic goods and raw materials. It could make the trends which are already occurring on world markets more acute; trends which are unfavorable as far as Poland is concerned, and which particularly affect the markets of the developed capitalist countries. This cannot remain without effect on the development of our economy. Problems which arise from this will have to be solved as they occur.

May it please the House: The 1979 national socioeconomic plan and state budget which has been put before the citizen deputies are ambitious and take into account a high degree of discipline, a high quality of labor and a sense of responsibility among the leading cadres at all levels, as well as support from all working people. It is on these things, and on factors which are closely connected with them, that the full achievement of our aims for 1979 depend.

Going back to the intentions of the 13th plenum, let us say once more: The present time requires us all to observe an increased discipline, a greater matter-of-factness and more concrete approach, and closer control. In all fields of effort, at all levels of activity, in decisionmaking and direction, in our performance of all functions arising from the social division of tasks, we follow the logic of the demands for higher quality. We must not surrender to the pressures of those who, while representing a small minority, are trying to guide others, but who themselves are not prepared to combine the advantages gained from Poland's development with their own effective work, with their duties, to combine the improvements in their living standards with a sense of coresponsibility for a persistent solution of problems common to all citizens of our country.

In Poland there are no social groups in which hardworking, honest and dedicated people do not predominate. With them, on the basis of their activity and moral strength, we should resolutely oppose those who disturb the rhythm of work and management, who detract from the effects of efforts by our work forces, and who make our march toward new aims of socialist construction difficult. The plan for 1979 will be carried out most profitably for our motherland's development and for its citizens' prosperity by a common, dedicated effort on behalf of the great majority of our working people. May I request that the House give its approval to the budget bill, and adopt a resolution on the national socioeconomic plan for 1979. I thank you for your attention. [applause] [end recording]

1979 Budget, Plan Approved

LD2200407 Warsaw PAP in English 1314 GMT 21 Dec 78 LD

[Text] Warsaw, 21 Dec, PAP--After two-day debates, the Polish Sejm--parliament--today approved draft national socio-economic plan and draft budget for 1979. Present at the voting were First Secretary of the PUWP CC Edward Gierek, President of the Council of State Henryk Jablonski and Premier Piotr Jaroszewicz, who delivered a speech at the end of the discussion.

PAP REPORT ON ESTABLISHMENT OF U.S.-PRC RELATIONS

AU2113587 Warsaw TRYBUNA LUDU in Polish 18 Dec 78 p 2 AU

[PAP report: "The United States and the PRC Will Establish Diplomatic Relations"]

[Text] WASHINGTON--IT HAS BEEN OFFICIALLY ANNOUNCED IN WASHINGTON AND PEKING THAT THE UNITED STATES AND THE PRC HAVE ACHIEVED AGREEMENT ON THE MUTUAL RECOGNITION OF THE OTHER SIDE AND ON ESTABLISHING DIPLOMATIC RELATIONS AS OF 1 JANUARY 1979.

On the same day the diplomatic relations between the United States and Taiwan will be broken off, and within 4 months the remaining U.S. military personnel will be withdrawn from that island. On January 1979 the United States, in keeping with the procedure, will also give notice under its defense agreement with Taiwan. This agreement will not be broken off but notice will be given under it, and that is why it will be valid for another year before it loses its validity. ON 1 MARCH 1979 THE UNITED STATES AND THE PRC WILL EXCHANGE AMBASSADORS.

The communique on the normalization of relations between the United States and the PRC states that, despite this normalization, "the American people will maintain cultural, trade and other unofficial relations with the people of Taiwan." During a press conference in Peking Premier Hua Kuo-feng, chairman of the CCP Central Committee, stated that during the negotiations on the subject of normalizing relations, the United States had "mentioned" that, following normalization, it would continue to sell weapons to Taiwan for "defensive" purposes.

In the first commentaries on the establishment of diplomatic relations between the United States and China it has been pointed out that Washington, despite the solemn declarations repeated for many years, has subordinated its alliance with Taiwan to the question of the full normalization of relations with the PRC, deciding to give notice under the relevant agreement, and that Peking has de facto retreated from the equally solemnly declared principle that its relations with the United States cannot be fully normalized before the problem of Taiwan is solved.

TRYBUNA LUDU REPORTS OPEC OIL PRICE HIKE

AU211354Y Warsaw TRYBUNA LUDU in Polish 18 Dec 78 pp 1, 2 AU

report: "OPEC Raises Oil Price"]

[Text] LONDON--MEMBERS OF THE OPEC CONFERENCE HELD IN THE CAPITAL OF THE UNITED ARAB EMIRATES HAVE DECIDED TO RAISE THE PRICE OF OIL BY ALMOST 15 PERCENT IN 1979.

The increase in the oil price is supposed to offset the losses suffered by oil exporters because of the devaluation of the American dollar and because of the continuous inflation in the Western countries, which has caused a considerable rise in the costs of the industrial products purchased by the OPEC countries from the capitalist markets.

The rise in the oil price will take place in four stages.

AS OF 1 JANUARY CRUDE OIL DELIVERED TO THE WORLD MARKETS WILL COST 5 PERCENT MORE. IN APRIL, JULY AND OCTOBER FURTHER RISES WILL OCCUR SO THAT BY NOVEMBER 1979 CRUDE OIL WILL BE 14.5 PERCENT MORE.

The new chairman of the OPEC and minister of the oil industry of the United Arab Emirates, Ma'ni Ibn Said al-Utayba, stressed that the OPEC countries are watching the inflation in the Western world with great anxiety and that, through a "moderate rise in the oil prices," the OPEC wants to contribute to "strengthening the dollar and to supporting the struggle against inflation."

FOREIGN TRADE MINISTER MEETS LESECHKO IN MOSCOW

LD220728Y Warsaw PAP in English 2245 GMT 21 Dec 78 LD

[Text] Moscow, 21 Dec, PAP--Polish Foreign Trade and Maritime Economy Minister Jerzy Olszewski arrived here today. He was received by Deputy Chairman of the Council of Ministers of the USSR Mikhlail Lesechko.

During the meeting the sides discussed current problems of trade exchange and economic cooperation between Poland and the Soviet Union. The sides highly appreciated the level of economic contacts between the two countries so far, stressing in particular the continually expanding scope of cooperation between the Polish and Soviet industry, and development of collaboration in the area of raw materials. It was stated that the two-way trade in which an ever greater role is being played by goods manufactured under cooperation and specialization agreements were increasing at a rate faster than stipulated by the long-term agreement for the years 1976-1980 contributing to the accelerated socio-economic development of the two fraternal countries.

VISIT BY LUXEMBOURG CP'S RENE URBANY REPORTED

AU161826Y Warsaw TRYBUNA LUDU in Polish 13 Dec 78 p 2 AU

[PAP report: "The Chairman of the Luxembourg Communist Party has Visited Poland"]

[Text] At the invitation of the PZPR Central Committee, Rene Urbany, chairman of the Luxembourg Communist Party, deputy and member of the parliamentary bureau, visited Poland from 8 to 12 December. He was accompanied by Marianne Passeri, member of the Luxembourg Communist Party Executive Committee and chairman of the Communist Youth, and by Theo Bastian, member of the Luxembourg Communist Party Central Committee.

During their friendly meeting Edward Gierek, first secretary of the PZPR Central Committee, and Rene Urbany informed each other about the activities of the PZPR and the Luxembourg Communist Party, and about the development of the situation in the two countries. They discussed the current problems of strengthening the ideological unity of the international communist and workers movement, and exchanged views on the issues connected with the struggle for detente and disarmament in Europe and the world.

The meetings and talks were also attended by Edward Babiuch, PZPR Politburo member and Central Committee secretary; Wladyslaw Zastawny, rector of the Higher School of Social Sciences; and Krzysztof Ostrowski, deputy head of the PZPR Central Committee Foreign Department.

M. Passeri, chairman of the Luxembourg Communist Youth, met with Krzysztof Trebakiewicz, chairman of the Central Council of the Federation of Socialist Unions of Polish Youth.

The delegation of the Luxembourg Communist Party also visited Torun and Olsztyn voivodships, where it met with leaderships and aktivs of voivodship party bodies.

During all meetings and talks, which took place in an atmopshere of friendship, solidarity and complete agreement of views, the delegation of the Luxembourg communists studied the achievements and prospects for the further development of socialist construction in Poland.

The Luxembourg communists paid tribute to the implementation of the program mapped out by the Seventh PZPR Congress for constructing a developed socialist society in Poland. The PZPR views with interest and praise the constructive defense by the Luxembourg Communist Party of the interests of the Luxembourg working people.

The two parties noted that in the present conditions of the world there is a close connection between the struggle for peaceful coexistence among states with different social systems and the struggle for the vital interests of the workers class and the broad masses, for democracy, for national independence and for social progress in each country.

The PZPR and the Luxembourg Communist Party are convinced that the ideological unity and internationalist solidarity of the international communist and workers movement, based on the principles of Marxism-Leninism, constitute the fundamental premises of the cohesiveness of the worldwide front of the struggle against imperialism, for peace, social progress and socialism. The two parties stressed the great importance of tighter cooperation in implementing the joint program of the struggle for peace, security and cooperatation in Europe adopted at the Berlin conference in 1976.

During the discussion of current European and world issues, the sides noted with satisfaction that in the past few years further changes advantageous for peace, democracy and socialism had occurred in the international balance of power. In this connection they stressed the decisive role played by the consistent and peaceful policy of the Soviet Union, Poland and other socialist states, which paves the road to detente and cooperation among states with different socioeconomic systems, to putting an end to the arms race, and to achieving full and complete disarmament. An outstanding confirmation of this is the declaration issued by the Moscow conference of the Warsaw Pact countries and the constructive initiatives contained in it, as well as an appeal to all realistic forces and all nations to support the struggle to implement these aims.

The two parties are in solidarity with all nations fighting against oppression, racism and reaction and for their sovereign rights and progress, and decidedly condemn the military intervention by the imperialist forces in Africa and the adventurous and aggressive policy pursued by the Chinese leadership; a policy that threatens peace in Asia and the world. The two parties expressed their solidarity with the heroic Vietnamese people, with their resolute resistance to hegemonistic pressure, and with their efforts to reconstruct and expand their socialist fatherland and to create a zone of peace in Southeast Asia.

The PZPR and the Luxembourg Communist Party stressed the need to develop mutual cooperation to the advantage of the two peoples in order to deepen mutual friendship and affection.

The visit of the delegation of the Luxembourg Communist Party took place in an atmosphere of sincere and cordial friendship, and of united views on all the issues under discussion.

TRADE PROTOCOL WITH CUBA SIGNED IN HAVANA

LD211510Y Warsaw PAP in English 1312 GMT 21 Dec 78 LD

[Text] Havana, 21 Dec, PAP--The Polish-Cuban turnover in 1979 is going to rise substantially on this year's figure, under a trade protocol for 1979 signed here today.

Poland will export to Cuba means of transport, machines and equipment for food and mining industry, rolled products, textiles and chemicals.

Cuba is to supply Poland with nickel concentrate, chromium ore, citrus fruits, southern fruit products, rum, liquer, honey and other products.

CEAUSESCU ATTENDS GNA PLENARY SESSION ON 21 DECEMBER

AU210953Y Bucharest Domestic Service in Romanian 0900 GMT 21 Dec 78 AU

[Summary] "The plenary proceedings of the eighth session of the seventh legislature of the Grand National Assembly [GNA] were resumed in Bucharest an hour ago. The deputies and guests greeted with lively applause the arrival at the parliament hall of Comrade Nicolae Ceausescu, of the other comrades of the party-state leadership."

"During this plenary session the GNA will discuss the draft bill on education; the draft bill on the accrual, planning, destination and apportionment of profits, the draft bill on the customs code; the draft bills on the approval of decrees with power of law issued by the State Council.

"The deputies greeted the presence in the hall of a group of Italian parliamentarians and publishers."

On the first point on the agenda, the GNA unanimously approved the election of Comrade Iosif Kovacs as deputy to the Gherla electoral district, Cluj County.

"Proceeding to the next point on the agenda, the draft bill on education was presented by Comrade Suzana Gadea, minister of education and instruction. In her speech she stressed that this document was drawn up on the basis of the party program and of Comrade Nicolae Ceausescu's concept of developing and improving education. After reviewing the development and modernization process of the Romanian educational system, the speaker defined the principles underlying the new educational law. The speaker pointed out that the new law consecrates free education and insures the access of all citizens, irrespective of nationality, in accordance with the country's socioeconomic development and with the aptitudes and desires of each person throughout all grades, and guarantees the 10-year compulsory education." The new draft law attaches great importance to developing the polytechnical branches of education and to arming students with thorough knowledge in the afrea of basic sciences and the Romanian people's history and culture. The bill also includes conditions of holding educational positions, the rights and duties of educational cadres, as well as the obligations and duties incumbent on students and pupils to study and thoroughly prepare for life and work.

In conclusion "the minister of education and instruction--assessing that the draft bill insures the appropriate juridical framework for implementing the party's and state's policy in this field--expressed the conviction that the GNA will adopt it."

The draft bill on education was then submitted to general discussion. Various deputies took the floor and stressed that this draft bill is a major contribution to modernizing and improving the educational system.

Law on Education Passed

AU211920Y Bucharest AGERPRES in English 1830 GMT 21 Dec 78 AU

[Text] Bucharest, 21 Dec, AGERPRES--On December 21, after having examined it article by article, the Grand National Assembly of Romania adopted unanimously the education law with the amendments suggested during the debates.

In the process of its making, many executives, teaching staff and experts in economic, education and research units were asked to state their opinion. According to a democratic practice that has been working for several years already, it was also submitted to public debate. The debate and the letters to parliament were appreciative of its substance. More than 3,500 citizens made 2,900 proposals to amend the bill. Their analysis showed that nearly 2,000 were well grounded. It is on their basis that 41 articles in the draft were amended. The other proposals, mainly concerned with details, will be considered when further normative acts are made on the basis of the law.

The law enacted by the Grand National Assembly is part of the wide-ranging programme to improve the country's whole economic and social activity.

In the years of socialist construction, Romanian education developed as it has never done before, as Suzana Gadea, minister of education and instruction, stressed in the rationale she read. More than one quarter of Romania's population is enrolled in one form of education. The percentage of children of pre-school age in kindergartens is over 75. Ten-year compulsory education was generalized. As against 1938, the number of pupils enrolled in lyceums has increased more than 15 fold and that of the students some sixfold referred to 10,000 inhabitants. The teaching staff in education of all grades has increased over the same period from about 55,000 to 270,000. The material basis of education has steadily been developed and modernized. The substance of education has been improved and constantly referred to practical requirements, to production and research. Its social and educative value were enhanced.

The law sets a unitary juridical framework for the organization of education of all grades, in harmony with the demands of Romania's present development stage.

Socialist humanism traceable throughout the law is characteristic of the policy pursued by the RCP and the Romanian state in building the new society concentrating on man, on meeting ever more fully its material and spiritual needs. The law specifies that education is free, that all the citizens irrespective of nationality have free access to education of all grades, according to the country's socio-economic development needs to everyone's aptitudes and wishes. It guarantees the right to education to all the citizens, instruction being in Romanian with the free use of the mother tongues of the co-inhabiting nationalities in education of all grades; ten-year education is compulsory, ensuring a thorough training in the fundamental sciences of the youth who are supposed to have the revolutionary outlook on world of the working class. The law also stresses the importance of the principle of polytechnic education, of the organic integration of education with production and scientific research, of the principle of collective work and management in all education institutions.

By its substance, the law marks the completion of the process whereby the organizational framework is set for the improvement and modernization of education of all grades in Romania.

The law sets, in a unitary way, the management of all education institutions on the basis of the principle of collective work and management, with the broad participation of the teaching staff, the pupils and the students, the children and youth organizations, of representatives of the working people in other socialist units and of the parents' committees, and makes provisions for the education guidance, control and coordination system. The congress of education is to be instituted and a higher council of education and instruction, councils of education and instruction in every county and the city of Bucharest, and co-ordination councils in cities, towns and communes are to be established as an expression of the broad opportunities the working people have to take part in the management of education.

CEAUSESCU SPEAKS ON RECEIVING ITALIAN PEACE PRIZE

AU2121107Y Bucharest AGERPRES in English 1920 GMT 21 Dec 78 AU

[Report on speech made by Romanian President Nicolae Ceausescu on receiving the "Simba" peace prize awarded by Italian magazine IL CORRIERE AFRICANO, on 21 December, in Bucharest]

[Excerpts] Bucharest, 21 Dec, AGERPRES--President Nicolae Ceausescu made a speech thanking for the prize. He pointed to the broad relations of cooperation Romania has with almost all the African states. We have actively supported the national liberation movements on all planes, the Romanian head of state went on. We actively support the national liberation movements of Rhodesia and Namibia, the progressive movements of South Africa for national independence, for the liquidation of the racial policy of apartheid. We consider that it is high time that people acted most firmly to put a definite end to the colonial policy of domination, to ensure the independence and sovereignty of each nation. Africa has witnessed serious events this year, events particularly important for the future of that continent. On the one hand, the fight for national liberation has intensified and on the other hand, tendencies of interference in the affairs of the African states have accentuated, endangering their independence and free development.

The Romanian head of state stressed that active support should be given for interference in the affairs of Africa to be given up for the right of the African peoples to be masters of their destiny to be observed, that everything should be done for the litigious issues to be solved by peaceful negotiations, for the African unity and solidarity to be strengthened. It is in the interest of all African peoples to strengthen their unity and solidarity as this is the only way of securing their independence and sovereignty, their economic and social development according to their own will, Romania's president said. As far as it is concerned, Romania will do everything to contribute to the strengthening of solidarity and collaboration with the African countries.

In this context, Nicolae Ceausescu mentioned that thousands of Romanians give technical assistance to many African countries. Likewise, thousands of African young people are trained in Romania for various specialities, so that they can contribute to the economic and social development of their countries. We consider it necessary to do much more in this domain, bearing in mind that the eradication of underdevelopment, the economic and social progress cannot be achieved otherwise but with the contribution of science, culture and education, broad access being secured to the gains of civilization and modern technology, on the basis of establishing a new international economic order which should ensure full equality and equity in international economic relations.

Stating then that Europe is rather responsible both for what was wrong and for what has to be done for the free development of the African peoples, President Nicolae Ceausescu pointed out that there still are many problems to be solved on the European Continent. In keeping with the documents signed in Helsinki, we have to do our utmost for the achievement of better understanding and cooperation in all domains, for the promotion of relations which should entirely exclude the threat or use of force, should secure free development to each nation.

Disarmament must be of steady concern to the European states, so that a firm step forward should be made at the European meeting on security to be held in Madrid, in 1980, concerning disengagement and disarmament, the implementation of the documents signed in Helsinki--President Nicolae Ceausescu said.

Pointing to the need for intensifying efforts towards the negotiated settlement of disputed issues, President Nicolae Ceausescu referred to the Middle East situation, which keeps being a serious danger to peace. We consider it necessary to do everything for an overall settlement which should lead to Israel's withdrawal from the Arab territories occupied in 1967, to a solution to the Palestinian people's problem by setting up its independent state included, all this being achieved with the participation of all the states concerned. To this end, we consider that of great significance is the convening of an international conference, in Geneva or elsewhere, to be attended by all the sides concerned, the Palestine Liberation Organization included, and the united national organization as well.

Next, the Romanian head of state said: We consider that, in spite of the fact that the developments in international life are contradictory, that although we are witness of firmer actions for detente and peace, and of certain events generating tension among states, the world evolution as the whole opens up fresh prospects to detente, disarmament and peace. The latest events are directed precisely to this end, confirming that the peoples are ever more determined to stop the worsening of the international situation, the escalation of the arms race, secure a policy of detente and advance ever more resolutely to general peace.

The Romanian people, engaged with all its forces in the grand work of socialist transformation of the country, of a fast economic and social development on the road of progress and welfare, is keenly interested in the building of a lasting peace in the world which should enable it to attain its ideals and aspirations. That is why it understands and supports most energetically the aspirations of all peoples to building a world without weapons and wars, a world of collaboration, detente and peace, which should enable all nations to concentrate their efforts on their economic and social progress, on the building of a free, dignified and happy life.

Just until now, Romania will do everything to strengthen its solidarity with all socialist countries, with all developing countries, with all states of the world, irrespective of social system, with all forces, no matter their political, philisophical or religious conceptions, for the attainment of the peoples' vital desiderata of detente, reduction of arming, disarmament, of establishment of a new international economic order, of social progress, welfare and happiness, of a lasting peace.

Referring to Romanian-Italian relations, President Nicolae Ceausescu pointed to Romania's high appreciation of the ascending course of this collaboration, of the ever closer links--traditional in fact--between the Romanian people and the Italian people. The affinities deriving from the common Latin origin of our peoples--Romania's president said--also contribute to this, but I think that the considerable progress of the Romanian-Italian collaboration is directly linked to the fact that our peoples are interested alike in securing national independence and sovereignty, their economic and social development, progress and welfare, in contributing to a policy of peace and collaboration internationally. It is this that confers lastingness and very broad development prospects on the relations between the Romanian and Italian peoples.

TEXT OF CEAUSESCU INTERVIEW ON FRENCH TELEVISION

AU181424Y Bucharest SCINTEIA in Romanian 17 Dec 78 pp 1, 5 AU

[Text of interview by President Nicolae Ceausescu to Lion Zitrone of French television in Bucharest on 14 December]

[Text] As has been announced, on 14 December Comrade Nicolae Ceausescu, RCP secretary general and president of the Socialist Republic of Romania, received Lion Zitrone, special envoy of the French television TF1, to whom he gave the following interview:

Question: Mr President, I was prompted to ask you for an interview by the interest awakened by Romania in France. Would you tell us something of your current concerns related to Romania's socioeconomic development?

Answer: I must begin by mentioning that in 30 years of socialist construction, Romania's industrial output increased almost 40 times, while agricultural output trebled. On this basis, the national income increased 12 times, and science, culture and education were developed. Especially remarkable is the increase in the material and intellectual living standard of all our people.

During the current 5-year plan--1967-80--we continue placing stress on the rapid development of both industry and agriculture, as primary elements in the fulfillment of the program to build the comprehensively developed socialist society in Romania. In the first 3 years of the 5-year plan industrial production increased at an average annual rate of over 11 percent. Considerable increases were also achieved in agricultural output. This has allowed us to implement a vast program of general development, a great volume of investments and housing and sociocultural projects. At the same time the real incomes of the working people are being raised by approximately 32 percent over the entire 5-year plan, as compared to the 20 percent initially envisaged.

We are also interested in raising the qualitative and technical level of our industry, in enhancing labor productivity and economic efficiency so as to be able to participate more actively in the international division of labor and to compete with countries with a more developed industry.

At the same time we are making efforts to improve the forms of participation by the working people in leading society and also in drawing benefits, a development which is expanding the scope of socialist democracy in our country. We are thus insuring participation by the workers class, the peasantry and intellectuals--actually by all social classes--in leading all the sectors of activity.

In view of the above we believe that the 11th congress program for this 5-year plan will be exceeded in industry by over 100 billion lei, and this I would say will make a definite step forward toward Romania's becoming, from a developing country, a country with an average level of economic development in the coming 5-year plan. However, the main thing is to build a society of social justice and equality, which should insure an equitable distribution of the social product and equal participation by all the working people in leading the entire society, all our domestic and international activities.

Question: The acclaim with which your 1 December speech was received shows that you are one of the most popular heads of state in the world among your own people. Do you regard this as an endorsement of your policy? To what do you attribute this?

Answer: Indeed, the 60th anniversary of the establishement of the Romanian national united state gave the Romanian people, all the working people, regardless of their nationality, an opportunity to show their determination to unswervingly implement the RCP's domestic and foreign policies. The festive meeting held and the elan and enthusiasm manifested were an expression of all our people's unreserved endorsement of our domestic and foreign policies, of the policy aimed at building socialism, insuring the country's national independence and sovereignty, the policy of cooperation and peace, and all the policies that Romania consistently promotes at the international level. I believe that the enthusiasm and elan that marked the festivities, including the meeting of 1 December, are precisely an expression of the people's close unity around the party and government, of the fact that the Romanian people are firmly determined to implement the program of socialist construction, of raising the material and intellectual living standard, of strengthening their independence, and at the same time, to extensively cooperate with all states regardless of their social system.

Question: In a world that has recently become more pessimistic, you are decidedly an optimist. You have said that the current international political situation is not conducive to armed conflict and that you do not wish to increase Romania's military contribution to the Warsaw Pact. How would you describe this situation?

Answer: Indeed, in tackling problems concerning the development of Romanian society, as well as international problems, I fully trust in my people's strength and in the strength of the other peoples, of the masses who favor a policy of cooperation and peace and who want to eliminate the imperialist and colonialist policy of domination for good. This is why I am optimistic about the prospects of international life.

It is true that contemporary development are often contradictory, and that the policy of detente, peace and cooperation has had successes, but it has also met with difficulties and conflicts. This is, after all, natural. However, in my opinion, international life is characterized precisely by the fact that the peoples are increasingly asserting their will to promote a policy of detente, to be masters of their destinies and national riches, to develop independently and to establish a policy of cooperation and peace. In view of these facts, we have come to the conclusion that, despite certain complex international problems, there is no question of the situation deteriorating toward war; on the contrary, it can be said that the difficulties that have emerged have called the attention of the masses, of the peoples everywhere, including realistic politicians, to the need to make more resolute efforts on behalf of detente, disarmament and a policy of peace. Hence, proceeding from these realities, we believe that we should not seek to intensify the arms race, but on the contrary, that everything possible should be done to stop increases in military spending and to begin a real disarmament, primarily nuclear disarmament. Naturally, a balance of forces should be preserved so as not to jeopardize the security of any of the sides. However, this should be achieved without increasing the potential of troops and armament but by reducing them. The balance aimed at by the most powerfully armed states should be attained not by increasing military expenditures and armaments, but by cutting them back, and allocating a more considerable part of the funds saved to the socioeconomic development of one's own people, and primarily to providing a more substantial aid for the developing countries.

Question: The West does not always grasp the nuances in the political thinking of the various socialist countries. You have stated that you will fulfill your commitments concerning Europe. Would you expand on your viewpoint on this issue?

Answer: To better understand the policy of the socialist countries--including Romania--I believe that contacts should be intensified, and that the policy of these countries should be considered more carefully, on the basis of realities and not of prejudice, as it unfortunately still happens.

As for my statements on Romania's commitments within the Warsaw Pact, they are based on the fact that from the very beginning of this pact it was decided that its character should be defensive, its purpose being to defend the member-states in the case of an attack in Europe. Thus, Romania is firmly determined to fulfill the obligations it has assumed, although we are convinced that there is no danger of such an attack at present, and, as has actually been stated in the declaration of the Warsaw Pact member-states at the recent meeting in Moscow, we will make every effort to achieve the simultaneous abolition of both military pacts as an important step toward disarmament, towards peace and security in Europe and throughout the world.

Question: You are giving the impression that your stance on the Warsaw Pact is to a certain extent similar to General de Gaulle's stance on NATO, that is, that you are mindful of your country's independence. Would you say this parallel is correct?

Answer: I must say from the start that historical and national conditions in Romania and in France are quite different. It is therefore not possible to draw a parallel between Romania's policy and France's policy in connection with their participation in their respective treaty. As I actually pointed out, as long as the Warsaw Pact exists, Romania is firmly determined to fulfill its obligations. Naturally, Romania will retain the responsibility for all the political actions involved in these obligations, and will continuously strengthen its independence and sovereignty--as an essential condition for fulfilling its commitments within the treaty.

As both Romania and France advocate a policy of equality and independence, I can only hail this similarity, and hope that this will constitute an important factor for achieving detente and security in Europe, and for implementing the documents signed in Helsinki, which envisage new relations among all the countries on the continent, and utterly exclude the use or threat of force.

Question: Mr President, you have extended a friendly reception to the Chinese leaders, and they in turn show you the same friendship. You maintain diplomatic relations with Israel. Will you continue promoting this open international policy?

Answer: Under Romania's general policy, we are developing extensive relations with all the socialist countries, and our cooperation with the PRC has its place within this framework, considering the fact that the PRC constitutes an important factor in current international life.

Similarly, we believe that the existence of conflicts between various states should not bring about a worsening in relations with states which are not involved, but on the contrary, one should maintain relations with the countries in conflict and seek to solve the conflict through negotiations, insuring the independence and integrity of each country.

As a matter of fact, as you know, Romania is firmly in favour of a settlement in the Middle East, of a general peace that should lead to Israel's withdrawal from the Arab territories occupied in 1967 and to a solution of the Palestinian problem, including the establishment of an independent Palestinian state.

In the spirit of Socialist Romania's policy of cooperation with all the states, regardless of their social system, and of solving conflicts through negotiations, we will firmly continue our policy of developing relations with all the states in the world, and will contribute to building a world of cooperation, peace and equality.

Question: Mr President, what do you think of the current Romanian-French relations and of their prospects of development?

Answer: I want to stress with great satisfaction that the Romanian-French relations are at a good level. I will mention the continuous development of our economic, scientific-technical and cultural cooperation, and the fact that we have implemented various production sharing projects in important fields. As a result of this, France currently occupies the fifth place in Romania's international economic relations.

Nevertheless, I must frankly state that we do not think that everything possible has been done along this line. In view of what we have achieved to date, and of the traditional friendship between Romania and France, as well as of the continuous development of the Romanian economy and of France's current concerns with economic development, we believe that there are still extensive possibilities to substantially increase our economic exchanges in the coming years, and to develop our scientific and cultural cooperation. On this basis we can then expand our contacts more intensively, including contacts between the two countries' citizens, thus providing an even sounder basis for the Romanian-French relations in all areas, in the spirit of our traditional relations of friendship.

Question: Mr President, what are your expectations in connection with President Giscard d'Estaing's visit to Romania?

Answer: I am expecting President Giscard d'Estaing's visit to Romania with great interest; this will be his first visit as president, since he has been to our country several times. To begin with, I hope that this visit will further encourage Romanian-French relations in all areas, and I am convinced that we will indeed achieve this.

At the same time, in view of the numerous international problems with which our countries are equally concerned, beginning with European security, the new economic order, disarmament, and the achievement of relations based on respect for national independence and sovereignty, I think that President Giscard d'Estaing and I will have a comprehensive exchange of views on current international issues, and that we will agree to strengthen our cooperation at the international level, too, in forging a better and more just world, in which each nation can develop in accordance with its wishes, without fear of aggression.

I am therefore convinced that the visit to Romania by the French president will constitute an important factor not only for our bilateral relations, but also for solving international problems through negotiations and for promoting a policy of detente and peace in the world. I would like to wish the friendly French people success in their development, great prosperity, well-being and happiness.

AGRICULTURAL MINISTER RECEIVES MONGOLIAN VICE MINISTER

AU211350Y Bucharest AGERPRES in English 1130 GMT 21 Dec 78 AU

[Text] Bucharest, 21 Dec, AGERPRES--Angelo Miculescu, deputy prime minister and minister of agriculture and food industry, received on Thursday an agricultural delegation of the Mongolian People's Republic led by B. Badamjav, deputy minister of agriculture, paying a visit to Romania. Cooperation between the two ministries were the object of the talks.

Attending were Constantin Glavan, deputy minister of agriculture and food industry, and Constantin Iftode, vice chairman of the State Planning Committee.

DEFENSE MINISTER CONGRATULATES VIETNAMESE ON ARMY DAY

AU211346Y Bucharest AGERPRES in English 1135 GMT 21 Dec 78 AU

[Text] Bucharest, 21 Dec, AGERPRES--Marking the anniversary of the day of the armed forces of the Socialist Republic of Vietnam, Col Gen Ion Coman, minister of national defence of the Socialist Republic of Romania, sent a congratulatory telegram to army Gen Vo Nguyen Giap, minister of national defence of the Socialist Republic of Vietnam.

On the same occasion, Tran Thuan, ambassador of the Socialist Republic of Vietnam to the Socialist Republic of Romania, met with staff and students of the Leontin Salajan Military School training anti-aircraft and radio location officers, to tell them of the significance of the event. An exhibition of photographs was shown on the occasion, as well as films dealing with the everyday life and activity of the Vietnamese military.

DECREE INCREASES PENSIONS OF WAR INVALIDS, INJURED

AU211015Y Bucharest AGERPRES in English 0959 GMT 21 Dec 78 AU

[Text] Bucharest, 21 Dec, AGERPRES--Under a decree of the State Council of the Socialist Republic of Romania, signed by President Ni olae Ceausescu, the pensions of the war severely crippled or rated with the first degree of disabled, are increased. The lowest pension of the war severely crippled rises from 800 lei to 1,400 lei, and the lowest pension for war disabled rated with the first degree, from 700 lei to 1,250 lei.

The pensions of the war severely crippled and disabled rated with the first degree rise by 10-78 percent, differentiated contingent upon the level of the current pensions. The fixed allowance for their attendance also rises from 300 lei to 500 lei a month.

AGRICULTURAL PROTOCOL WITH USSR SIGNED IN BUCHAREST

AU201500Y Bucharest Domestic Service in Romanian 1400 GMT 20 Dec 78 AU

[Text] A protocol was signed in Bucharest on the talks between the delegations of the Romanian Ministry of Agriculture and Food Industry and of the State Committee for the Material-Technical Supply for Agriculture of the Soviet Union [as heard]. The document envisages the further development of relations of cooperation and collaboration between the two ministries to accelerate technical progress in the field of mechanizing agriculture, includes the approval of the 1979-80 work plan and outlines the basic guidelines for cooperation between the two ministries for the 1980-85 period.

RADIO, TELEVISION COOPERATION WITH USSR DISCUSSED

AU201939Y Bucharest AGERPRES in English 1907 GMT 20 Dec 78 AU

[Text] Bucharest, 20 Dec, AGERPRES--On December 20, Valeriu Pop, general director of the Romanian radio and television, who participated in the Moscow meeting of the directors of the radio and television organisms of some socialist countries, had an interview with S.G. Lapin, chairman of the State Committee for Radio Broadcasting and Television under the USSR Council of Ministers. On that occasion problems were discussed regarding the cooperation between the radio and television organisms of the two countries.

CONSUMER COOPERATIVES COUNCIL HOLDS PLENUM 21 DEC

AU211022Y Bucharest AGERPRES in English 0920 GMT 21 Dec 78 AU

[Text] Bucharest, 21 Dec, AGERPRES--A plenary meeting of the Council of the Central Union of Consumer Cooperatives took place in Bucharest, which analyzed fulfillment of the tasks of the consumer cooperatives in supplying the rural population. Likewise, the plenum debated and endorsed the plan of the union's organizations and enterprises for 1979 and the programme of technical-organizational measures for its carrying through.

Over 1976-1978, the volume of goods sales grew 39.5 percent, contracts and purchases--2.2 times, the per-capita services in rural milieu--51.2 percent as compared to the relevant period in the past five-year plan period. At the same time, the plan tasks with investments and export were fulfilled entirely. The debates also disclosed the main shortcomings manifest in certain domains of consumer cooperatives activity.

AGERPRES HIGHLIGHTS UN SUPPORT FOR PEACE INITIATIVE

AU220818Y Bucharest AGERPRES in English 1900 GMT 21 Dec 78 AU

[Excerpts] United Nations, 21 Dec, AGERPRES--The plenary meeting of the UN General Assembly approved by consensus the resolution initiated by Romania and other 48 states, representing all the geographical zones of the globe, as regards the extension of the mandate of the special committee for the UN Charter and the enhancement of the role of the organization, setting as priority task the conclusion of the examination of the proposals made by states regarding the peaceful settlement of disputed issues so that this major international question can be debated during the next session of the UN General Assembly.

The broad support enjoyed by the Romanian initiative at the present session reflects the recognition of the constructive character of Romania's participation and proposals for the finding of just and equitable solutions to the great issues of contemporary world.

The Romanian proposal regarding the conclusion of a general treaty according to which all states should take the pledge of solving any dispute among them--no matter what its nature--by peaceful means exclusively was highly appreciated. Declaring ready to collaborate for the conclusion of such an international juridical instrument, many delegations participant in the debates said that the treaty could secure each state's exercise of its right to develop safe, to have firm guarantees against interference in its internal affairs, against the danger of an armed aggression. If it came into force the treaty would have a particularly favourable influence on the world political climate, would prevent the occurrence and help extinguishing the hotbeds of tension and war and would provide favourable conditions for effective disarmament measures.

The present session of the General Assembly highlighted the support anjoyed by the Romanian proposals regarding the setting up of a body of conciliation and good offices under the General Assembly which would play an active role in preventing international disputes and infinding solutions corresponding to the interests of the states implied in the spirit of good neighbourliness and peaceful coexistence.

SECOND SESSION OF LCY CENTRAL COMMITTEE REPORTED

ID201214Y Belgrade TANJUG Domestic Service in Serbo-Croatian 0921 GMT 19 Dec 78 ID

[Excerpts] Belgrade--The second session of the LCY Central Committee opened in Belgrade this morning. Members of the Statutory Commission and Supervisory Committee of the LCY and secretaries of the central committees and provincial committees of the leagues of communists are taking part in the work of the session, which was opened by Branko Mikulic.

At the beginning of the session, the Central Committee members elected the following working Presidium: Vladimir Bakaric, Angel Cemerski, Stane Dolanc and Branko Mikulic. The session is chaired by Stane Dolanc.

The Central Committee unanimously adopted the agenda of the session today:

--discussion and adoption of the standing orders on the organization and method of work of the LCY Central Committee;
--Topical questions on the internal and international situation;
--Draft program for the work of the LCY Central Committee next year;
--Election of the LCY delegation to the SAWPY Federal Conference and of the members of the Presidium of the SAWPY Federal Conference to be nominated by the LCY, and
--Current questions.

The LCY Central Committee unanimously adopted the standing orders concerning its organization and method of work. Should the need arise, and on the basis of experience, the standing orders could be changed and adopted in future, said Stane Dolanc.

The standing order stress that the LCY Central Committee, as the highest organ of the LCY between congresses, discusses the work of the League of Communists and the implementation of congress tasks, adopts political stands and formulates political platforms on the most important current questions. In addition, the LCY Central Committee examines essential questions on sociopolitical life and on the development of self-management relations and lays down political tasks in these areas, it discusses the reports and assesses the work of the LCY Central Committee Presidium, and discusses other questions.

The president of the LCY, the standing orders say, is in charge of the work of the LCY Central Committee and proposes the agenda for its sessions. When prevented from personally chairing the sessions of the LCY Central Committee, the president of the LCY can entrust this task, for individual sessions, to the chairman of the LCY Central Committee Presidium.

This document, adopted at the session today, stresses, among other things, that every Central Committee member is responsible for the decisions and work of this organ. Members are dutybound in their ideopolitical activity to actively work for the consistent implementation of LCY policy and the conclusions adopted by the LCY Central Committee.

The introductory report on topical questions of the internal and international situation was submitted by Vladimir Bakaric, member of the Presidium of the LCY Central Committee.

The results of developments during the preceding 4 years were summed up at the 11th LCY Congress. It was noted, stressed Bakaric at the beginning, that in that period we achieved very important results in the development of self management relations and in material development. With great efforts and the creative involvement of the working class and all working people, socialist self management helped us achieve results which continue to place Yugoslavia among the countries with the most dynamic economic growth and constant enhancement of the standard of living.

The period of development between the two congresses passed without any substantial upheavals either domestically or in regard to the international position of Yugoslavia. We can state that this trend of social and economic development has continued since the 11th LCY Congress. New steps are being taken in the development of socialist self management on the basis of the constitution and the law on associated labor, and on other laws pertaining to our system. Increasingly positive results are being achieved in the functioning of socialist self management democracy on the basis of the delegate principle. The dynamic economic development has continued. Estimates are that the social product of our economy as a whole this year will have increased 6 percent; industrial production 8 percent; labor productivity 3.1 percent; employment 4.4 percent; real personal income per employed person 6 percent; standard of living 6.4 percent [as received]; exports 8 percent; and imports 3.5 percent. All these indices are roughly in line with plan estimates.

Both in the period which preceded the 11th LCY Congress and since then, the implementation of the constitution, the law on associated labor and other laws pertaining to our system has provided the basic imprint on our social activity. The 11th LCY Congress gave a special impetus to this activity. Our experience on this plane is without a doubt positive and significant; self management socioeconomic organizations have been set up on the basis of the constitution, and this has given new qualities to our development. The awareness of the workers in associated labor has grown stronger regarding the need for their mutual ties, interdependence and responsibility in the processes of production, acquisition and allocation of income, trade and the regulation of social reproduction trends; workers are becoming increasingly more aware of the fact that they can influence socioeconomic developments only by further building and promoting their reciprocal income-based links.

The practical application of the constitution and the law on associated labor has created the conditions, stressed Bakaric, which make it possible for the various forces and social structures to constitute themselves in such a way as to earn income and to engage in economic operations which will carry forward the development of socialist self management and reflect the laws in which workers will gradually control reproduction trends. The League of Communists and all organized socialist self management forces are making a strong contribution toward this.

However, in implementing the constitution, the law on associated labor and other laws pertaining to our system, we also face problems which have a bearing on the current situation and to which the League of Communists must pay special attention because they are of great importance for the further successful development of socialist self management.

The basic thing in this is to assess the present material and social position of workers in the basic and other organizations of associated labor, and the reproductive capability of these organizations; to see to what extent a producer in his own basic organization can contribute to the development of our economy and society. In essence, an answer has to be provided to the question of whether overall socioeconomic development has proceeded fast enough in the direction of establishing the conditions where working people, mutually dependent and cooperating in associated labor, can take on all the responsibility for social production in keeping with ideopolitical orientations.

Between the two congresses, and also since the 11th congress, on the basis of the LCY orientations and annual resolutions on socioeconomic development, many bodies have adopted specific decisions to change the relations in the distribution of income in order to overcome the social work differences with extended reproduction, and to establish broader material conditions for the development of self-management. In this context, many measures have been adopted in the municipalities, republics and provinces, as well as in the federation. There is no doubt that this had had certain positive repercussions on the material position of associated labor. Always present in our society is the demand to improve; all these social actions and measures have not been sufficient to essentially change the distribution relations to the advantage of the workers in associated labor.

Despite the dynamic growth of production during this period, the reproduction ability of the economy has weakened and the share of the economy in financing extended reproduction has been reduced considerably.

Accumulation and production funds of organizations of associated labor have increased considerably more slowly than the growth of our social product and income. The funds which organizations of associated labor are putting aside for simple and extended reproduction (accumulation and depreciation) decreased in the period from 1975 to 1977 from 25.6 to 24.3 percent. This tendency has continued into 1978. Excessive sums of money set aside from the income of the economy for general social requirements are one of the basic reasons why this is happening. This has placed many organizations of associated labor in a situation where they do not have any accumulation of their own or where the accumulation which they have is very small.

In these conditions, the economy is not in a position to finance its development by pooling labor and resources, but is increasingly required to incur debts in our country and abroad. The repayments of investment credits have increased considerably faster than our social product and income, and a great deal faster than amortization and the money put aside to expand the material basis of associated labor, especially since the period 1975-1977. Similar conditions have continued in 1978. As a result, repayments for investments and for reproduction in 1976 and 1977 amounted to 63 percent of earned funds, and to 53 percent during the first 6 months of 1978. This is effectively reducing the resources of the economy to make fresh investments in the development of the material basis of labor from the sources of associations of organized labor themselves.

In 1977 the funds of organizations of associated labor accounted on the average for 47.1 percent of the resources involved for investments--this applies both to fixed assets and to working capital--while foreign sources accounted for 52.9 percent. The results of this situation are high production costs on the basis of annual payments which have fallen due and other commitments, the weakening of the competitive ability of our economy in foreign markets, a deficit in our trade and payments balance, and so forth. The low material basis of associated labor not infrequently causes business losses.

The methods involved and the volume of the funds set aside from the income of the economy in fact reduce the accumulations of organizations of associated labor to those funds which are left over after all other preceding commitments have been met.

In view of the fact that new developments in extended reproduction are still linked with the (?income-based) system and with the role of the state, which collects a substantial portion of the income of the economy for general and joint consumption requirements and intervenes in reproduction developments in the area of prices, import-export regulations, foreign debts and others, decisionmaking in extended reproduction is to a great extent removed from the workers in associated labor and is linked with elements outside the economic structure.

This constitutes the essential obstacle, in the present stage of development, preventing associated labor from operating in a more decisive manner, in keeping with the constitution and the law on associated labor in regulating the reproduction trends. It constitutes a unique signal that the relations in this area must change and the conditions which produce such relations must be eliminated through action by all social forces, because this creates an unfavorable political climate within the working class and the working people as a whole, and could also have an adverse effect on the equality of our nations and nationalities and of our republics and our provinces.

A consequence of these developments is that under bank and state pressure, workers in organizations of associated labor have defended their personal income, joint consumption and accumulation. To do this, workers insist on increasing the prices of their products and services to insure scope for reproduction. This shows that the system of socialist self-management is not the underlying reason for such manifestations and tendencies, as some people may want to suggest.

On the contrary, it is the inconsistent implementation of the system--that is to say, the operation of the old system--which causes such tendencies and problems in socioeconomic development. Therefore, the main direction of our action to resolve these key problems in our socioeconomic development is to consistently implement our constitution and the law on associated labor and the ideopolitical orientations of the 11th LCY Congress.

Of course, we must not lose sight of, or lessen the importance of, the fact that the inadequate reproduction and accumulation basis of the economy exists also because of the low level and slow growth of labor productivity in not a small number of organizations of associated labor. It also exists because of the inadequate rational use of capacities and of social resources in general, excessive production costs, irrational business operations in social activities, and so forth.

The low level of the material basis of the economy also exists due to the delays in eliminating economic structural disproportions caused by labour-intensive employment in noneconomic activities and managerial positions within the economy and the irrational use of working time. Without a doubt there are great reserves in this area, and better implementation could help a great deal in attaining higher production, income and in consolidating the material basis of the economy. The constant struggle to raise labor productivity will make an essential contribution to this. This is one of our key socioeconomic tasks, stressed Bakaric.

Along with the diminishing accumulation and reproduction capability of our economy, we are facing a tendency toward an ever-increasing volume of investment outlays. This tendency means that everyone is trying to transform all possible funds into investments, which is becoming some sort of investment "mania." In 1978, the share of investments in fixed assets amounted to 34.4 percent of the social product of our economy as a whole; taken together with working capital, it even went beyond 40 percent. The growth rate of these investments in recent years has considerably surpassed the envisaged proportions in relation to the growth of income and social product.

This is the result of existing problems and relations existing in the system of social reproduction, especially in the system of extended reproduction. The decisions to set aside funds for investments and channel them in social reproduction, are mainly made outside the range of the workers in associated labor.

The banks play a primary role in this respect because monetary resources for investments are formed via credit and other similar banking channels much faster than they are in the economy. This is a result of the perpetuation of old socioeconomic relations in the banking, credit and money spheres, where implementation of the new solutions pertaining to our system is lagging behind more than anywhere else. Because of the strong presence of old relations in extending reproduction, current economic planning and other social activities are to a great extent based on this and reproduce such relations--that is to say, the produce the technobureaucratic concentration of resources for extended reproduction and a constant pressure on the economy to set aside funds to finance assorted plans and programs. The result is that neigher the volume nor the structure of present activities is coordinated with the development plans of organizations of associated labor, which depend on each other for their income and technological knowhow.

The efficiency of investments is also going down; this is directly responsible for the relatively low growth rate of labor productivity. Hence the very slow process of pooling labor resources, which are today responsible for no more than 4 percent of total investments.

Old relations and behavior in this sphere hamper and threaten the economic stabilization policy and constitute an acute trouble spot of economic instability. It is obvious that we are faced with the task of stopping these unfavorable tendencies in income distribution and opening up wider areas for the worker to control income and the means of expanded reproduction in line with implementation of the constitution and the law on associated labor. Only in working conditions in which the worker manages income and accumulation is it possible to insure dynamic, stable economic development; coordination of the volume and structure of investments and all forms of consumption with the needs and interests of the worker; a constant increase in exports; and the role of income as the basic motivation in business operations and the criteria for investment. In realizing these tasks we must forgo certain forms of consumption; the investment front must be (?restricted) and the construction of certain plants prolonged; unproductive expenditures must be eliminated, and so on. This will not happen without problems and resistance, for many monopolies of a technobureaucratic and similar character have to be broken, Bakaric stressed.

Problems concerning stabilization of our economy also lie at the center of our interest. The underlying framework of the economic policy in the coming year is directed toward this. Figures indicate that this year's inflation will be higher than last year's. Thus, for example, the increase in retail prices, by which we usually measure inflation, was 13.9 percent this October compared with last October, while retail price increases in EEC countries for September were half this--7.4 percent.

One of the most important reasons for this year's high price increases and inflation lies in the resilient remnants of the old system; these are reflected in many problems concerning socioeconomic development; the weakening of the accumulative and reproductive capacity of the economy; the continuation of the unfavorable trend of all forms of consumption, particularly general, joint and investment spending; considerably exceeding the agreed upon limits and growth of income; the weaknesses encountered in the development of expanded reproduction, and so on. The involvement of social factors in the prices sector has lapsed to a great extent, which has been reflected in the nonadherence to social agreements on prices.

The question of economic stability is a long-term problem, for the sources of economic stimulation still lie squarely in the socioeconomic relations that are characterized essentially by the alienation of income and accumulation from the worker. Hence, we have never given the promise that we could insure absolute stability; rather, our basic orientation is that through the development of the system of socialist self-management relations we are creating the elements and basis for the stabilization of the economy. This was the policy we proclaimed at the 10th LCY Congress and reaffirmed at the 11th LCY Congress.

On this path we are faced with numerous obstacles and difficulties. More precisely, whenever we are not sufficiently energetic in realizing socialist self-management, the old relations return, and they are reflected in inflation. Something similar to this happened to us this year and will happen next year if we fail to strengthen the position of income and the elements of self-management expanded reproduction. This means that we must change the present planning more radically, implementing the new self-management planning system. The present plans are leading to a much broader front of investment than has been the case this year, and this is tantamount to greater inflation. This warns us that it is necessary to acquaint ourselves with all aspects of the causes of our inflation, for this is the first precondition for undertaking the correct measures and actions.

Activity in overcoming the essential causes of instability and inflation and in stimulating a higher degree of stability in socioeconomic development must, as an important task in the coming year, proceed from immediate to long-term measures. This is because the essential causes of instability and inflation are of a long term nature. The basic path is the construction of self-management income relations on the basis of the constitution and the law on associated labor.

In addition to economic stabilization and other questions such as employment, living standards and social security for workers, there are also those problems concerning the functioning of the unified Yugoslav market. This is an important precondition for the worker being able to assume a position from which to decisively influence the course of reproduction. The warning should be given, however, that our market can only be socialist to the extent to which socialist self-management relations, the interrelation of the income organizations of associated labor, and the association of labor and means are all realized.

Socialist self-management relations presuppose a unified Yugoslav market in which the decisive role is played by the workers in associated labor, who, through the association of labor and means, self-management agreement-reaching, social negotiation and self-management planning, control and regulate market relations. The bases of such a market are set out in the constitution, the law on associated labor and other laws on the system. The construction of such relations in the market is a long-term process and can be successfully realized through the organized and conscious activity of the working class, League of Communists and all the subjective societal forces.

However, numerous factors are hindering the operation of the unified Yugoslav market, and it is not functioning effectively enough. The basic obstacles are the remnants of technocratic, bureaucratic and liberalist relations that exist in our conditions. From this there arise examples of regional and local isolation on the movement of goods and means; inequality in the business operations of organizations of associated labor; monopolistic behavior; the duplication of capacities; the irrational use of the means of expanded reproduction, etc.

The basic direction for solving these problems lies in the constant struggle by all social factors to build self-management relations based on implementing the laws pertaining to our system and in the constant action by the League of Communists in removing subjective weaknesses.

Vladimir Bakaric then stressed: Economic questions are profoundly political as well. Socioeconomic developments have the most direct influence on the political situation. An inconsistent application of the solutions provided for in the new laws pertaining to our system and mounting problems in income earning and distribution, consumption, exports and imports, prices, expanded reproduction and so on, as well as the slow and ineffective solution of these problems, all have a direct influence on the mood of the working class and working people in general.

One of the concomitant aspects of these developments we must not underestimate, is work stoppage. According to some figures from the Yugoslav Confederation of Trade Unions, there were about 100 work stoppages in 1978, and they are on the increase. They occurred in those organizations of associated labor and other areas where management and political structures and the self-management organs, including League of Communists and trade union organizations, were not working properly on consistently implementing the constitution and the law on associated labor or on solving the workers vital problems. In essence, we are dealing here with situations in which groups of people connected to the management structures adopt decisions on personal incomes, joint consumption, education, apartments and so on, without the workers participation.

Recently stoppages have occurred most frequently in connection with the adoption of regulations on the distribution of personal incomes, work regulations and apartments. More precisely, the workers expected these regulations to consistently implement the principle of distribution according to work and strengthen their material and social position; however, in essence the old relations have now been introduced in a new guise. In certain organizations of associated labor, this has created dissatisfaction among the workers and led to work stoppages. Analysis of individual stoppages, though they are not complex, indicates that in such organizations the work of the League of Communists and trade union organizations has slackened and that their passivity has contributed to this. It is clear that we must do everything possible to see that the self-management position of the workers is realized consistently and that their problems are solved effectively. This is how work stoppages can be prevented. They are not and must not be a feature of the self-management system, in which the workers control their fate.

After stressing that he has, in fact, discussed these questions in the Central Committee Presidium, Bakaric said that society's impulses still drive it toward reestablishing the old relations--that is, the process of transferring the main role in social development to the direct producer is unfolding slowly and is opposed by not only political opponents of socialism and self-management but also by many remnants of the old system, which demand of us greater efforts to overcome them. Many of these problems cannot be solved with palliatives but rather they must be studied and more long-term solutions found. Nevertheless, in every case it is clear that they demand greater involvement by the organizations and members of the League of Communists. Without greater involvement by the organizations of the League of Communists it will be difficult to train the basic organizations of associated labor to fulfill their task and truly take responsibility, thus contributing to the construction of the entire system.

It has been mentioned that the battle for greater economic stability is a central feature of our economic policy.

The point has also been made that the success of this battle will greatly determine the stability of society as a whole. I would like to add that it is of great importance to remind people of this link and its problems in good time. I mentioned, for example, the tendency in investment. All assessments indicate that the program for these investments is unrealistic. It is already clear today that the means for it do not exist. Such endeavors cause first of all an increase in prices, which by chain reaction causes shortages of certain articles, and so on. This results in disturbances in personal incomes, their constant correction and a battle against income redistribution. This can create the conditions for work stoppages and conflicts between individual organizations of associated labor, and even impair relations between republics. The latter is a basis for the revival of nationalistic tendencies.

Temporary shortages of materials, goods, apartments, and so on, give rise to smuggling corruption and the like and become breeding grounds for ultra-leftwing actions, and so on.

Precisely for these reasons it is important to have complete involvement in the workings of the system. It is important to make every worker and every working man an active fighter for the functioning of the system, not merely in words but a fighter at his place of work and in his social functions.

We have noted the great activity by the League of Communists in this sphere. We also have a global insight into this activity, but we have too little insight into the concrete forms of the battle and the concrete results. For this reason our appraisals must also often be based on global assessments, statistical facts and so on, and not on facts immediately relating to the process itself.

Further efforts have been made since the congress on the development of the all-people's defense and self-protection system. Broad strata of the people's masses have continued to cooperate in this work, and a million people have taken part in individual actions and exercises. This shows how the very idea of the socialization of the question of defending our independence has had an extensive impact and has been received among our people. The exercises and the testing of the system of the organizational functioning has become a routine concern not only of specific organs but of the masses extensively involved in this matter. Before and since the congress, great efforts have been made to give the all-people's defense and social self-protection system an organizational form. In conjunction with these efforts this system has up to now covered virtually all areas in our country and a basic check of its functioning has been done.

In working out the system the policy was to pinpoint accurately the role and status of the Yugoslav People's Army, to enhance the role and responsibility of the LCY, to determine more accurately the role and responsibility of the republics and provinces and to establish the role of municipalities and local communities and of work communities and organizations.

I shall mention that elaboration of the system of all-people's defense is somewhat ahead of that for social self-protection and that the latter is still slightly overshadowed by the former. Work on integrating the system of self-protection, public security and the responsibility of the social and political communities is under way. Discussions on the coordination of management in the federation system are in their final stage and will be carried out in the immediate future.

The indications are, Said Bakaric, that we have won the basic and ideological positions of victory but that the development of the elements in the new deployment of forces is meeting with great difficulties.

The difficulties are not merely difficulties of resistance or organized resistance, but also lie in our failure to overcome quickly the emergency of the old tendencies. In assessing the political situation it is precisely the fundamental forces' direct involvement in this new deployment of class positions which plays the most important role. Our organizations should also devote the greatest attention to this assessment. If we have success here we will provide progress with new impulses and drive the opponent even further into the corner.

Since the congress we have had no significant open conflicts with our internal opposition. It has been noticed, however, that it is not inactive but rather has been attempting to organize itself more solidly both in organizational and ideological respects. We are talking here about those opposition groups familiar to us from previous occasions and with which we have had open and public conflicts. They are people such as Djilas and certain groups of people from the nationalist, liberal, bureaucratic and other ranks. The tendency has been noticed for them to try and contact each other, find a common language despite the differences between them, and form some kind of political platform.

As far as we can determine from the various facts gathered on the declarations and views of these people, their attempt to create a platform hinges on the most reactionary interpretation of the Helsinki documents. Theirs is a platform that would exploit the hypotheses regarding human rights and give them a professed form of their own. Thus they would create a politically organized offensive opposition group that would act as a counterweight to the government. At the heart of the matter lies the issue of freedom of speech for such anticommunist leaders as Mihajlov and others, and the battle to create some form of parliamentary government in the country. It is obvious that the base of their platform is in line with those international circles who want to stimulate dissent in the socialist countries, especially the kind of dissent that would serve as an obedient tool either in international bargaining or in instigating tension. It is clear that the intentions behind these platforms is to expropriate the rights of the working people to make their own decisions on their own problems within the system of self-management and socialist democracy, which they have created themselves. These platforms say nothing clear about the basic problems of society. So far, they have said nothing, for example, about questions relating to social property. The proposed system of democracy would in itself automatically emasculate and liquidate it.

Despite their lack of success in constructing their platform, these individuals are actively publishing their treatises abroad. There exist a number of institutions and publishing houses that open their doors to them and order anti-Yugoslav and anticommunist literature from them. We have not gone into these links in any depth, nor into identifying the network that gives them greater publicity. But a number of steps have nevertheless been made, and in this connection you will probably soon be able to get materials that provide a review of anti-Yugoslav centers and their connections with our opposition. The affair is being dealt with and attempts are being made to settle it, Bakaric said.

In the recent period we have had no large-scale open clashes on the political plan, nor with nationalism. But we should not conclude from this that such things do not exist and that clashes could not arise in certain situations. We should recall the last such important clash and draw conclusions from it. This clash occurred when a small group of nationalists was able, with the broad support of certain people from various forms of the League of Communists, to gain the support of a number of people. The reason they could do this was because they succeeded in spreading the belief that the unity of our peoples was being destroyed in certain areas.

One of their slogans, for example, had to do with foreign currency regulations, a topic which even those who prepared the slogan knew nothing about. But they did know the sensitivity of our people toward national equality, and they succeeded in pulling a number of credulous people along with them. Open discussions and expositions of the real state of affairs will prevent such things from being repeated.

A number of ecclesiastical circles and all churches to some extent have tendencies toward anticommunism, which they hide behind what they call a struggle for national interests. They strive to sell their views on the international anticommunist market. But I think, nevertheless, that even there such positions are becoming isolated, and realistic viewpoints are beginning to take the upper hand. These tendencies should be supported.

Even the ranks of the League of Communists are not always free from nationalism. It appears to some people that everything is in order in their own republic, but they feel that in other republics this is not the case. Such appraisals, however, are kept at home. They avoid all debate with comrades from other republics, while a mistrust of the organizations there spreads.

We have a relatively large political emigration. This emigre population was basically formed after World War II, and is composed of those who linked their fate with fascist Germany and thus experienced its collapse. These emigres attempted to link themselves with and sought the support of those who saw a need to promote new anticommunist forces in the world. Initially, they found a fair amount of support. But then it began to lose the characteristics of a healthy political emigration and instead became a residue of the old order under the patronage of fascist Germany. And thus the question of changing platforms arose. These people organized and reorganized; they held conferences; they founded chambers; they took oaths of allegiance to democracy and the like. But they could not avoid a basic dependence on international factors. Even today they enjoy a certain degree of support. Their propaganda activity is abundant. As you can read in the materials you have been given, this fascist emigration publishes 270 newspapers and journals. These include 140 Ustasha, 75 Cetnik, 22 Slovene, 6 Macedonian, 21 Albanian and 7 Muslim. Their editions range from 500 to 2,000 copies, and about 10 of the newspapers publish from 3,500-20,000 copies.

The estimates of our Secretariat for Foreign Affairs, which are rather modest, note, for example, that the nonfascist and nonhostile emigre population publishes 10 newspapers; in the United States alone, one such paper, ZAJEDNICAR, has a circulation larger than that of the entire Ustasha press put together.

Some hostile emigres attempt to impose themselves on the entire emigre population, from whom they seek legitimacy as representatives of certain national groups; in particular, they seek the support of those born abroad. The reactionary Serbian emigre clergy has made a special effort in this direction. The hostile Croat emigre population is not only the largest, but also the youngest group. It was vitally rejuvenated with new emigrants during the flight of those belonging to the so-called Mass Movement, and a number of new people from the country are also trickling in to join it--a phenomenon we have not as yet studied sufficiently.

All these groups have their own extremist, fascist, terrorist, right-winger. According to our figures, there are about 2,000 emigres directly involved with terrorism, 75 percent of them Ustashas. Among the Ustashas only about 150 are less than 33 years old--that is, born after the war.

It cannot be said that our efforts to wipe out terrorism have been completely unsuccessful. We have obtained the public assurance of officials in the United States, Germany, Australia and elsewhere that they will undertake measures to wipe out terrorists. The fact that these measures were made public branded terrorism itself as a form of action to be criticized. The case of the expulsion rather than extradition of a number of German citizens showed just how deep the support for anti-Yugoslav terrorism is among certain reactionary circles; we must expend much effort to wipe that terrorism out.

We have greatly praised and criticized our journalists and press. Many problems have been overcome, and notable heights have been attained in a number of particularly sensitive tasks. However, confusion, misunderstanding and a loss of direction also occur here. This confusion most frequently appears under the slogans "should the press be obedient or zhoanovism", and the "question of the status of the journalist as a free writer". As soon as issues begin to be defined in this way, moments of crisis arise. Our basic task is to build up a Marxist press that is committed to the construction of our self-management system. The press should be both qualified and free, enthusiastic and critical. I think that quite a lot has been done recently to orient the press in this way.

I think there is no need to remind you that in our Presidium, too, we have gone over to a system based on the use of a rotating chairman. The very positive experience of the SFRY presidency greatly influenced this decision. This experience showed that decisions are adopted on a more collective basis than before. Under the new system, all people are more responsible for decisions, more responsible in their work and much more committed to it. The opportunities to assert tendencies for domination and the like are thus diminished. I think that you will approve this, and also approve the desire for similar proceedings whereever it is necessary to carry them out.

At the 11th LCY Congress we presented our appraisal and views on the situation and trends in international relations, in the workers movement and in the progressive movements generally. We may say that developments in the world since the 11th congress have confirmed these appraisals, and to a certain extent the negative tendencies which we noted then have been aggravated.

As President Tito said recently, it has been shown once again that bloc policy does not lead to a settlement of the key problems of international political and economic relations. We have always supported and continue to support detente between the great powers, not only because we are aware of their responsibilities in international relations, but also because this facilitates the settlement of other international questions, too.

At the same time, however, we have always stressed that the imposition of an equilibrium between bloc forces, but only in the broadest possible equal international cooperation.

The current stage in the development of international relations, unfortunately in a negative fashion, confirms these positions. This can be seen in various areas of international relations--in the stagnation and breakdown of the detente process; in the renewal of pressure for the consolidation of bloc cohesion and ranks; in the increased arming of blocs and their competition for positions in other territories, such as Africa, the Near and Middle East, the Indian Ocean and elsewhere; in the renewal of the anticommunist campaign in the world under the guise of support for human rights; in the reviving of politico-ideological confrontation between leftwing forces in the West ; and in the worsening situation of developing countries in international economic relations and the stagnation in the negotiations between developed and developing countries.

The arms race is also gaining strength, which means that with everyday the risk of a breach in the peoples' peace and security increases.

The arms race is also being carried into the territories of developing countries. In this way not only is the world being deprived of massive resources essential for development, but countries already too poor are being further exhausted by expenditures on arms.

The demands of developing countries for changes in international economic relations that would remove some of the most obvious forms of inequality are not reciprocated by most developed countries. In the negotiations on the new international economic order, the developed nations' strategy is to hold onto their positions. Their own difficulties and the decelerated growth of the world economy, it seems, are the most effective means to make the developed countries aware--and very slowly at that--of the underdeveloped countries and the need to seek genuinely acceptable solutions.

The policy of nonalinement is being confirmed as the sole alternative to bloc divisions, which close the way to the settlement of the vital questions of international communities. But precisely because this is so, and because the aims of nonalinement cannot be identified with any narrow interests whatsoever, pressures are increasing on the nonalined movement. And since it has already affirmed itself as an independent factor in international relations, and since its respect and influence in the affairs of the international community have increased, open confrontation with its principles and goals must be avoided. What is more, certain parties espouse the principled standpoints of the nonalined countries, most frequently only verbally. The positions of these parties are then assessed to a certain degree or temporarily, to be acceptable. But such espousals often prove to be measures designed only to gain tactical superiority and to gain time. Then we see that the proclamation is later diluted, made worthless or deformed in the actual practice of international relations.

We have always stressed that any separation of the nonalined countries into progressive, reactionary, extreme and moderate categories will split and weaken the movement and its influence.

The force of nonalined policy and the nonalined movement lie in the fact that the movement brings together countries from all continents of varied social structures in a unified platform of struggle to change the system of international relations and to link the divided world on the basis of equal cooperation between independent social communities. In its basic orientation toward changing international relations, and by the historic qualities that it introduces to world relations, nonalinement confirms itself as an important factor of the social process--and in the final analysis it confirms socialism as a world process. Any attempt to divide or separate individual nonalined countries into a number of groups with particular responsibilities and rights would negate the very essence of the nonalined movement and its policy, and in the same way would negate any democratic association of countries and peoples. This would lead to a reproduction of bloc divisions within the nonalined movement itself, which would reverse the movement's work toward gradually overcoming the division of the world into blocs.

We are sometimes reproached for equating the blocs on the grounds that they are not the same. But we believe that, whether they are identical or not, the most important consideration is the struggle for peace, and we believe that a stable peace can be guaranteed only by overcoming the divisiveness created by blocs.

For this reason the nonalined movement today is more than ever in need of unity and not division, for whatever cause. It is for this very reason that it was decided at the ministerial conference of nonalined states in Belgrade to examine, prior to the Havana conference, the ways and means of further promoting the democratic adoption of decisions in the movement and to coordinate the work of its organs in preparing for gatherings of the nonalined countries.

There are naturally in the broad group of countries belonging to the nonalined movement both differences and contradictions, and disputes and even armed clashes arise between its members. However, most problems and disputes between the nonalined countries were in fact inherited from the former colonial powers. There are now attempts to use these disputes against the nonalined movement, and from time to time a great deal of propaganda is circulated throughout the world on this subject--as if there were no disputes or clashes in the rest of the world, or even within the bloc groupings. I do not mean to imply by this, of course, that the importance of such phenomena in the ranks of the nonalined should be minimized, or that they should be reconciled to it. Comrade Tito has spoken several times about this. At their last meeting, the nonalined openly confronted this problem. Certain recommendations on the means for settling mutual disputes were adopted.

Whenever the world has experienced a deterioration in international relations, this has in one way or another been reflected in relations within the communist and workers movement, and on the left as a whole. Every such deterioration lends credence to those forces demanding that discipline be strengthened at the expense of the independence and autonomous functioning of individual parties, that limits be placed on contact with other political forces of the left instead of seeking that which they have in common, and so forth. We are witnessing an actualization of various controversies and differences of opinion in the communist and workers' movements--controversies that are becoming gravely sharpened on some questions and in some cases. A number of communist parties in power even use arms in their mutual disputes. This does great damage to the cause of socialism in the world, of course, and not merely because the facts of such conflicts are abundantly used by anticommunist propaganda.

All of this, of course, weakens our overall potential in the struggle for peace, democracy, social progress and socialism. We consider that the way to overcome the existing difficulties in the communist and workers movement is to strengthen those positive democratic tendencies within the movement which have manifested themselves in recent years so forcefully, both in the search for ways to wage the struggle for progress and socialism in accordance with national reality, and in the mutual cooperation between parties and movements of the left. In other words, overcoming individual weakness and (?strengthening) individual respect and trust in the working class and among all democratic strata of society is indeed the most effective--if not the only--means to oppose the efforts of anticommunist and all reactionary and conservative forces.

We believe in this respect that an open, free, principled and constructive dialog between communist and workers parties is of great importance, and that it serves the development of socialist thought and practice.

With regard to relations between the communist and workers parties of Europe, developments after the conference in Berlin showed that the document adopted there expressed the greatest measure of agreement that could be achieved between these parties. The principles of cooperation formulated in this document are undoubtedly of lasting value, and it is of the greatest importance for the communist movement as a whole that these principles be implemented in practice as fully as possible.

We were guided by our well-known principled positions on the proper nature of relations between communist parties when we approached the question of normalizing relations between the LCY and the Chinese Communist Party. We openly expounded our position to all our partners. They know that we have neither the intention of developing our relations with some of them at the expense of relations with anyone else, nor will we allow anyone to impose limitations on us in our relations with other parties. Until now such a principled position has, in the final analysis, always showed itself to be the sole correct one, Bakaric stressed.

Just a few words about relations with the European left, or rather about a number of changes which might be noted. In those European countries in which cooperation or prospects for establishing and strengthening cooperation with the left formally existed, there has recently been a noticeable increase in the distance between the socialist and social democratic opposition toward the communists. The insistence of certain socialist parties on the ideopolitical limitation of communists speaks, among other things, of efforts to halt the positive processes directed toward overcoming the divisions in the European left. This is because the democratic renewal of a number of communist parties and the need for a reexamination of certain aspects of social democratic policy hold the promise of being great stimuli to these positive processes. It has been shown that among the socialist and social democratic parties there are tendencies toward the resurrection of an individual center, that is the conducting of a generally valid policy. This role has been taken over, so it seems, by the Socialist International. The International has recently become more active in attracting parties and the nonalined movement, intending to expand its influence over them. Our position with regard to attempts to renew international centers, in whatever form, is well-known. The LCY opposes any part of the workers' movement whatsoever. In the same way, attempts to impose one's own ideological conceptions on the parties and movements of developing countries are contrary to the interests of those countries in freely determining the path of their own development, and such attempts may introduce bloc divisions between the nonalined countries. We shall continue to oppose this in the future.

In the present conditions of the struggle for peace, and the democratization of international relations and socialism in the world, the SFRY and LCY have no reason to change anything at all in their policy. However, the present phase of international development certainly demands constant vigilance and increased efforts to implement our policy in its already established directions.

In the nonalined movement we shall advocate strengthening its capacity for action and its unity in realizing the policy that has been established at previous nonalined summit conferences and at the ministerial conference of nonalined states in Belgrade. This defines our work on the preparations for the sixth conference of nonalined countries in Havana. We shall devote particular attention to efforts to overcome the present stagnation in the relaxation of international tension; for success in this field is an important precondition for progress in other directions. Within this framework preparations for continuing the CSCE deliberations in Madrid will be of great significance.

Just as the successful implementation of our nonalined foreign policy is possible only in conditions of stable domestic development, so the influence the complex international political and economic situation has on our country's position and on its domestic development is of great significance. We must devote particular attention to our country's position in international and economic relations.

As a country with a dynamic and open economy, Yugoslavia is to an important degree subject to the action of general world economic trends, and these are not presently favorable.

In addition, long-term interests demand the greatest possible diversification in the orientations of our international economic cooperation, and an increase of such cooperation particularly with the developing countries.

We build our relations with the great powers on the principles of sovereignty, equality, respect, and the rights to an independent course of development and an independent policy. We desire and try to promote our relations with the great powers as much as possible, regardless of the state of their mutual relations. We do not permit our relations with any of the great powers to develop at the expense of any other power, but we do not permit any of these powers to impose limitations on our relations with others. Thus we proceed in our relations with all other countries, and we consider this a contribution to strengthening world peace, cooperation and security.

We have well-developed and comprehensive relations with European countries. We have a clear interest in further promoting these relations, and it is our constant policy to advocate cooperation on our continent. In doing so we are convinced that we thereby contribute to solving existing difficulties, to consolidating peace and to the well-being of all the peoples of Europe.

Yet despite fruitful and all-round international cooperation, and a stable domestic and political position, certain forces which build their plans upon the destruction of the internal unity and integrity of Yugoslavia continue to act against our country. We have always condemned terrorism; for regardless of the motives underlying it, it has always objectively played and still plays into the hands of reactionary political forces. Our country's territory has never served and does not now serve as a base for terrorist attacks on any other country. The anti-Yugoslav campaign which was recently developed in the FRG is designed, among other things, to damage our relations with that country--relations that are otherwise good and in whose development we have and always have had a great interest. This campaign is also directed against the democratic forces in the FRG.

From all this we conclude that certain circles in the world continue to exist who, in carrying out their reactionary policy against our country, even today are not prepared to renounce terrorism or the use of paid agitators. But in this case they have had to come out into daylight. Further we conclude that the political forces in the FRG who do not support such methods have insufficient strength at the present time to oppose these hostile circles successfully.

In its relations with neighboring countries Yugoslavia will continue its policy of good relations and all-round cooperation. In his speech in Skopje on 6 October, Comrade Tito confirmed just such a stable orientation. We have with all our neighbors moderately developed--and for the most part highly developed--beneficial relations, particularly in the areas of trade; economic, scientific and technical cooperation; cultural links; tourist exchanges and so forth. With the majority of neighboring countries we have attained a significant level of political cooperation and a proximity of views on numerous international questions.

We approach cooperation with our neighbors on the same basis as cooperation with other countries. We consistently respect the principles of nonalinement and are profoundly loyal to the UN Charter and the Final Act of the Helsinki conference.

We consider the principle of the inviolability of borders equally obligatory for ourselves, for all our neighbors and for all other countries. Only on this basis can neighborly relations be developed. In the same way we believe that the problems of those peoples of the SFRY who live in other countries may be settled in the conditions promoted by neighborly cooperation, and we feel that these problems must be settled. In concluding the summary review of the problems of our current situation, we do not forward any particular conclusions. We propose only that the basic policy line be approved and that the entire League of Communists be committed to its implementation. These debates should be held more frequently, Vladimir Bakaric said at the end of his report.

After the speech by Vladimir Bakaric, Branko Mikulic, chairman of the Presidium of the LCY Central Committee, spoke. The Presidium proceeded from the belief that the Central Committee, at its sessions, needed more regular discussion of the topical ideopolitical questions and tasks of the LCY organs and organizations in implementing the policy adopted at the 11th LCY Congress. The orientation program also contains the proposals of the central and provincial committees of the League of Communists, the SAWP Federal Conference and the Council of the Trade Union Federation of Yugoslavia, Branko Mikulic said.

The fact that the Central Committee holds frequent sessions does not mean that the Central Committee adopts extensive resolutions and declarations on every question. It is not that we are short of resolving many of the questions we face, but we need a well organized, well directed and consistently implemented ideopolitical effort to apply the resolutions.

Therefore, on most questions that will be discussed by the Central Committee, it is most unlikely that it will be necessary to adopt lengthy conclusions. It will be necessary, however, to determine the directions and methods of the ideopolitical action of the League of Communists.

The Presidium feels that all members of the Central Committee should be more or less engaged in the preparatory work of Central Committee sessions. After adopting its work program, the Presidium will, if the Central Committee agrees, immediately begin setting up working groups that will begin preparing material for the Central Committee sessions. The working groups will include Central Committee members, as well as other LCY members, such as sociopolitical workers from other organs and organizations and scientific workers who deal with the questions to be discussed by the Central Committee.

You have seen, from the reports on the Presidium meetings, Mikulic said, that over 50 members of the Central Committee have been elected to Presidium commissions. I have already said that most members of the Central Committee will be included in the working groups that will prepare the material for the Central Committee sessions. Proceeding from the importance of the constant engagement of the LCY Central Committee members in interpreting and carrying out LCY policy, the Presidium decided to propose to the Central Committee that in the future members of the LCY Central Committee should attend the sessions of the central and provincial committees and of the basic organizations, municipal and town committees, as well as the League of Communists conferences outside the republics and provinces in which they have been elected to the LCY Central Committee. In proposing this, the Presidium considered the need for the Central Committee members to become better acquainted with the situation within the LCY as a whole. This will, apart from everything else, contribute to the quality of our discussions and the conclusions which we will adopt at the Central Committee sessions.

The Presidium proposes that the Central Committee discuss four or five themes in 1979 that we have assessed as priority themes for the ideopolitical activity of League of Communists in struggling to further develop socialist self-management, consolidate ideopolitical and action unity in the LCY, and implement the role of the League of Communists as the vanguard of the working class and the leading ideopolitical force in society. Although the definition of individual themes is not complete, it is not difficult to determine which questions are proposed for the special attention of the Central Committee and LCY as a whole.

The Presidium has decided to discuss the activity of communists in the SAWP and their efforts to promote the Socialist Alliance as a front for all organized socialist forces. After this discussion, we shall propose to the federal conference that this question be discussed by the federal conference with the participation of the members of the Central Committee Presidium. The Presidium will also discuss the present social position of women. In January, the Presidium will discuss the political institutions in the federation and the fulfillment of the role of the LCY Central Committee and its Presidium in these institutions, Mikulic said.

The implementation of Comrade Tito's messages at the Eighth Trade Union Federation Congress on the functioning of the political institutions and on collective work, including application of the principle of the 1-year mandate, will also be discussed and adopted.

It is possible, Mikulic continued, that it will be necessary for some of these or other questions to be discussed by the Central Committee and that positions on these questions will be adopted. The Central Committee may discuss the implementation of Comrade Tito's initiatives at the trade union congress, because these involve a number of topical questions that touch on the essence of our development and the consolidation of socialist self-management; this means our political system and its institutions. It is also a question of implementing the role of the League of Communists in society and insuring the kind of collective work in all political, state and self-management organs that will increase equally the individual and joint responsibility of all its members and promote the efficacy of their work. A constant application of the principle of reelection in the future--that is, a rotation in all political, state and other functions--will also contribute to this.

It is our task, Mikulic said, to encourage discussions and the adoption of ideopolitical programs that will insure a consistent implementation of Comrade Tito's messages as a whole, not just parts of them. It is illusory to think, for example, that to apply only the principle of the 1-year mandate will guarantee the power of the working class and completely eliminate conditions for the appearance of technobureaucratic tendencies and bureaucratic leader-type ambitions in individuals and groups, for which we know the conditions exist. These are also reflected in the possibility that the technobureaucratic monopoly will politicize partial interests and politically manipulate the workers and peoples. Comrade Tito pointed this out, too. This possible notion and concrete measures based on it, regardless of the intentions of its champions, can cause confusion and divert attention from the tasks of elaborating and implementing a comprehensive program to fulfill the essence of Comrade Tito's messages. Thus any attempt to follow the illusion that application of the 1-year mandate only can implement the very complex and far-reaching ideas presented by Comrade Tito, while everything else can be set aside, will show that the entire essence of Comrade Tito's messages has not been understood, Mikulic emphasized.

Comrade Tito strongly insists on further strengthening the socialist self-management relations and its political system.

He also insists that the collectives and elected bodies should critically examine and formulate joint positions democratically and constructively. One of the conditions necessary to achieve this is the introduction of the 1-year mandate. A wider application of this practice will require an organized and thorough adaptation; otherwise, there may be undesirable consequences that may delay the application of this principle in the same way as could a lengthy silence while waiting for the beginning of an organized discussion on this question.

It is, therefore, a matter of very principled questions for which solutions can be found by a thorough working engagement of all organs and organizations of the League of Communists. The desired result will not be achieved if, instead of these preparations, there is an insistence for an immediate introduction of the 1-year mandate in all sociopolitical communities and organizations, and in the organizations of associated labor.

It must also be said, Mikulic continued, that it would be very harmful, even though this may be a sporadically expressed tendency, if the discussion centered on people instead of the essence of the question. This could inadvertently provoke unjust mistrust towards cadres.

Of course, should anyone deliberately hinder the implementation of Comrade Tito's ideas, he would be subjected to criticism and prevented from this, Mikulic emphasized.

All of this means that we must carry out the discussions on the implementation of Comrade Tito's messages in an organized manner. The organs of the League of Communists must initiate and direct this discussion, while communists must strive for an organized, comprehensive and gradual preparation of the application of the said principle in other collective organs of the sociopolitical organizations. This will very likely require that this principle begin to be applied where possible--even before the next congresses and elections--in order to acquire experience for an even wider application in the forthcoming period. In this connection, it is always necessary to bear in mind that improvisations, violations of statutes and decisions, and disruptions in the work of organizations must be avoided. We shall thus create the wider conditions and acquire the necessary knowledge required for the application of this principle in the forthcoming period, Mikulic said.

The first to speak in the discussion following the speeches by Bakaric and Mikulic was Dusan Gligorijevic.

Topical phenomena, Gligorijevic said, that is problems and contradictions in the development of the self-management system, also exert an influence on our ideological life as a whole and on the antiself-management ideological tendencies and various forms of hostile activity. The antiself-management ideo-political orientations--from dogmatic and nationalist to anarcho-liberal--and opposition and hostile activity by four or five groups, which we have so far clearly politically defined and against which we have taken (certain?) measures, have recently started showing signs of revival. Because we isolated them by our present political action, these groups are now trying to establish mutual links, not only in Belgrade but also with like-minded groups in other places.

The most striking example of such activity is represented by Mihajlov's articles in the United States in which he attacks Yugoslavia crudely and in the most filthy ways. Frequent interviews by Djilas to the foreign press, as well as some statements by former professors of the philosophical faculty in Belgrade, have the same purpose--to discredit Yugoslavia in the eyes of the world and attack its self-management orientation. Being unable to gain a wider social influence, some opposition groups and individuals have lately tried to increase their organized underground work and have brought pressure to bear on some institutions in order to legalize their activity through them. In most of these institutions, such activity has been prevented by the organized work of the self-management organs, the League of Communists and other sociopolitical organizations, Dusan Gligorijevic emphasized.

The next speaker was Todo Kurtovic, who emphasized that one of the topical questions related to our internal situation certainly concerns everything connected with the socialist alliance. It can be said that the criticism of inertia in social action is also a criticism of the shortcomings of the Socialist Alliance, which was done very comprehensively at the 11th congress. Belittling the Socialist Alliance and all connected with its action and social action as a whole was also plainly pointed out and criticized.

The attitude toward man and his participation in the Socialist Alliance is in many places sectarian, and this also applies to the attitude toward real decisionmaking. It is clear that in the present phase there are possibilities for the application of more positive actions--a need to go ahead and achieve new effects. I think that some of our economic difficulties are probably rooted in this. On the other hand, resistance and a certain sectarianism emanate from the same source. In addition to this, Kurtovic said, numerous topical problems are neglected because there is no discussion even where the proper forces exist. It is significant that the Socialist Alliance is dealing increasingly with the concrete problems of life--problems about which people talk every day. However, not enough has yet been done in this respect. It is almost as if there was some hesitation or lack of sensitivity on the questions of man's life, although this is primarily a political question. There is therefore a lot of criticism about the work and party forums of the Socialist Alliance.

In conclusion, Kurtovic emphasized that there should be coordination in the social action of all sociopolitical organizations. He also noted that there was sufficient strength to solve the said problems, but that inertia and resistance were not small.

Mahmut Bakali said that the political situation in Kosovo was favorable, that a high level of unity existed with regard to the policy of the LCY and Comrade Tito, and that there was a dynamic implementation of the stances of the 11th LCY Congress.

In the last few years the League of Communists of Kosovo and the Province of Kosovo in general have been more actively and fully engaged in following international trends and our country's position in the world, Mahmut Bakali continued. Within the framework of creating and implementing our country's foreign policy, which also enjoys the full support in masses in Kosovo, we have been engaged for several years in developing and enriching cooperation with the People's Republic of Albania within the framework of overall Yugoslav-Albanian cooperation.

Recently, however, new and very crude attacks were made against our country by the most responsible Albanian leaders. These latest brutal attacks--which have come in speeches, articles and pamphlets by the most responsible leaders of Albania--are objectively playing into the hands and can feed the expectations and aspirations of those reactionary forces in the world that wish to endanger the stability, security and independence of our country. These are the same forces that also threaten the independence of Albania itself.

The lies, brutality and insults used by Albania in attacks against our country do not benefit anyone, least of all the people of Albania. This is very likely being done for domestic reasons of a system and ideology. The nationalist and irredentist speculations in these speeches and pamphlets represent an appeal to the reactionary and nationalist consciousness and an attempt to provoke a split between the Albanian nationality and other peoples of Yugoslavia. We must bear this in mind constantly, and we must struggle consistently for a further affirmation of the Albanian nationality wherever it lives in our country. In doing so we will proceed from the united policy of the LCY on the question of nationalities. At the same time, we must energetically oppose every aspect of Albanian or any other nationalism in Kosovo, as well as in all republics, in keeping with the principle that everyone must struggle against nationalism within his own people.

These untruths, which deny the real position and achievements of the Albanians in Yugoslavia, are an attempt to manipulate some of our inherited difficulties and contradictions. These attacks are being intensified at a time when, through the consolidation of self-management in our country, the position of Albanians in Yugoslavia is being affirmed and the policy of national equality is being carried out more successfully. These attacks, as well as the intensification of nationalist and irredentist slogans and appeals--all this cannot find a place among Albanians in Yugoslavia. On the contrary, they resolutely denounced them, conscious that this only harms the Albanian nationality and their community in Yugoslavia. The interest of the Albanian nationality in Yugoslavia would be normal and natural if at the same time achievements and the real position of the Albanian nationality in socialist self-managing Yugoslavia were recognized and pointed out and if the efforts of the Albanian nationality and our society to achieve the further prosperity of the Albanian nationality within the brotherly community of other peoples and nationalities of Yugoslavia were encouraged.

Despite all these crude attacks by the Albanian leadership on our country, Bakali went on to say, we shall remain permanently and firmly by our principled positions in favor of the further development of cooperation with Albania on the basis of equality, the further development of neighborly relations and the consolidation of mutual trust in the interest of the Yugoslav peoples and nationalities and the Albanian people as a whole, in the interest of preserving permanent security, independence and integrity of both countries, and thereby in the interest of peace and stability in this part of the Balkans. The Albanian nationality in Yugoslavia and the Socialist Autonomous Province of Kosovo will continue to be an active, creative and responsible factor in the enrichment of Yugoslav-Albanian cooperation, increased mutual trust, respect and rapprochement between the poeples of Yugoslavia and Albania. At the same time they will be energetic in opposing any attack on our system of socialist self-management and nonalined Yugoslavia. Our policy of neighborliness with Albania is of permanent value and is inspired by the respect and best intentions toward the Albanian people harbored by the Yugoslav peoples. It emanates from our principled policy toward our neighbors--a policy that we indicated at the 11th LCY Congress as being a priority element of our foreign policy.

For principled reasons, which emanate from the essence of our society, our nonalinement and our security needs, we must continue actively to strive and engage ourselves for a constant enrichment of neighbourly relations with all our neighbors, proceeding from the well-known principles of equality, noninterference, preservation of the integrity and the inviolability of borders, without regard to ideological and political circumstances. We will not yield our principled stances on questions on which we disagree, but will strive constantly to enrich cooperation, trust and neighbourliness as a precondition for a most successful solution of these foreign political questions.

Lazar Mojsov said that in assessing the further development of international relations some new negative tendencies had to be discerned. Recently, some indications have come to the fore--indications that the conditions required to overcome these tendencies have not yet been created. The crisis of detente persists, although it is possible to note that some of the crudest manifestations of the lack of confidence expressed among the main protagonists of this policy as promoted by the Helsinki Final Act have been left behind.

In the year ahead we are facing new important activities by nonalined countries, Lazar Mojsov said. On several occasions in the development of international relations, the movement of nonalined countries, especially as it asserted itself as an independent constructive factor on the international scene, has played the role of a driving force in eliminating a number of obsolete concepts about the contemporary world by suggesting new methods to overcome the stagnation and conflicts present in international relations.

It is expected, and rightly so, that our country will again play a significant role at the forthcoming nonalined meetings in Maputo, Colombo and Havana in strengthening the movement's unity and its ability to act, Mojsov said.

We cannot build our delegate system of decision making if our economic policy and struggle to raise income does not lead to the consolidation of our economy's accumulative and reproduction capabilities and to the fact that workers in basic organizations of associated labor (?control) that part of the income earmarked for extended reproduction, said Dusan Popovic. We cannot transform decentralized social capital into the joint capital of all the workers in basic organizations of associated labor. Nor can every basic organization turn it into joint capital within the unified system of self-managing associated labor and within the unified system of income-based relations unless general, joint and personal consumption is alined with the possibilities of our economy.

Nor can we do so if investments continue to exceed our possibilities and if the structure of investments by and large is at odds with our requirements and does not contribute to the stabilization of our economy as a whole. And we must restrict inflation.

When talking about problems and difficulties, I proceed from the current problems in the Socialist Autonomous Province of Vojvodina, which to a great extent conditions and determines the action of the LC of Vojvodina, of other sociopolitical organizations, of the working class and of working people and citizens in that province.

I should like to draw attention to the difficulties confronting agricultural producers in the agro-industrial complex as a whole. They derive from the fact that self-management in agriculture, in the agro-industrial complex as a whole, is developing slowly. Also, poor links between the producers, the traders and the consumers render difficult a long-term association of labor, agricultural land property and resources. These relations in food commodity trade cause harm both to producers and consumers. Self-managing direction and planning of production is required to satisfy our social requirements, and this includes the division of labor and specialization. Unless we achieve this, there will be on our unified market a shortage of some agro-industrial products on the one hand, and a surfeit of others on the other hand. Similar things will happen with other kinds of production. Unless we carry out a division of labor on the Yugoslav market, we will find it difficult to fit into the international division of labor. The agro-industrial complex could make a greater contribution to our overall socioeconomic stability if the commitments laid down as a result of our social accord were implemented better, Dusan Popovic said.

There have been many discussions recently on the subject of the assessment of the political situation in our country. I associate myself with the views which place an important emphasis on economic events, (?and which) treat equally the development of production forces and socialist self-management production relations, Andrej Marinc said.

Results were attained in 1978 which, compared with what happened abroad, can be assessed as positive. However, some important qualitative objectives of the plan are not being implemented and they are of a long-term nature. We are trying to incorporate in our economic policy for 1979 the elements which, with the overall social activity required by our economic and political system, will insure that these negative trends are prevented.

The positive assessment of the political situation is making it possible for us to boldly resist manifestations of the process of leveling down wages, of indiscipline, idleness and inefficiency. We have built a system of social security, we are preventing social inequality, and we have asserted numerous forms of solidarity and togetherness which have made it possible for both individuals and nationalities in our country to establish the minimum conditions required for their existence, progress in their development and their equality.

All this, taken together, encourages us to resist opportunism and ineptitude in certain environments, and to openly face realities and real problems. Our overall development is still weighed down by a relatively low level of development of production forces, and restrictive possiblities of our national income, so much so that motivation for more productive work and for the principle of distribution according to the results of work, is the most important task of this political and economic activity, and the most important political and economic task at this moment. Inflation, haphazard earning and a haphazard distribution of income, coupled with the problems of the accumulative capability of the economy and unsatisfactory results in productivity and efficiency, as well as control of past and present labor and economic relations with foreign countries, can and must be overcome only through social action.

I am not a supporter of a defeatist assessment of the situation which, on the basis of these facts, draws the conclusion that there do not exist real possibilities for the affirmation of the basic premises of our system of negotiations, agreement-seeking, of pooling labor and resources, and so on. This country has never invested as much as it is doing now. Nor has it spent so much on improving the standard of living and on other forms of development. Basically, the problem is that the workers, that is to say their interests organized along self-management and delegate lines, do not control a major portion of the income. This is the crux of the problem, Andrej Marinc said.

The general and military-political situation in the world continues to be fairly complex, and bloc confrontation and the arms race go on. Annual military expenditure runs to about $400 billion. About 22 million people are under arms, and there are roughly an additional 15 million men in various paramilitary organizations, said Col Gen Dane Cuic at the beginning of his speech. Naturally, this complex military-political situation in the world, especially in the wider Mediterranean and Middle East areas, and to some extent in the Balkans as well, has a most direct bearing on the military-political position of our country. Friendly relations and every-developing cooperation with nonalined countries, and relatively good relations between our country and big countries, and other countries--our neighbors, too--have a positive impact on our situation and contribute to the struggle for peace and equal cooperation in the world.

Parallel with this positive process in our relations with the majority of countries, various reactionary and conservative circles who have supporters in official positions have continued to undertake various forms of subversive activity in relation to our country, and to indulge in speculation, particulary in connection with its future development.

In their activity, they misuse our objective economic problems and difficulties, and try to deepen and intensify them. All this is calculated in the long run to soften up and weaken Yugoslavia, her position and reputation and, by resorting to various measures and by influencing things, to create conditions conducive to a change of our socialist self-management social system and to threaten our independence.

In connection with this assessment and the situation in international relations, with the military-political situation and the activity of reactionary conservative forces, and with the position of our country within this context, the LCY, the organization of the League of Communists in the Yugoslav People's Army, and all other factors of our society and our armed forces have undertaken ideopolitical, organizational and other measures and activities as successfully as possible to implement the all-people's defense concept, especially the consolidation and development of its main factors, and primarily the concept of moral-political unity within the LCY in our country and its armed forces. In this respect, we have attained significant results both in the Yugoslav People's Army and in other all-people's defense structures. The situation demands that the consolidation of the defensive might of our country, in the spirit of the decisions and stands of the 11th Congress, must continue to be in the focus of our activity.

Regardless of the sensitive nature of our military-political situation and of various speculations by reactionary, conservative and other forces, which are not to be underrated, we still make the assessment that our internal unity, economic and political stability, reliance on our own forces, and fruitful and creative application of the all-people's defense and social self-protection concept are most essential for our independence and security.

We assess that the moral-political situation and unity in our army are good. Our army and armed forces as a whole are, as they always have been, a reliable support of the LCY in the defense of our country and of our socialist self-management relations. We base this assessment on the positive attitude, understanding and support by army personnel toward the basic achievements and values of our society and of the LCY's policy. We also base this assessment on the unity displayed and the evaluations made at the LCY's electoral conferences this year, and on the creative role and influence of the organizations in all army units and institutions. We base this assessment on the organized and intensive ideopolitical work with all army members, based on the program and policy of the LCY, on the stands and tasks set by the president of the LCY and the supreme commander of our armed forces, on the working atmosphere which permeates the entire army organism, on good results in the training and modernization of our armed forces and on their high level of combat readiness.

I would like to add that the majority of officers are members of the League of Communists. During the past 4 years, about 106,000 members were admitted to the LCY in the Yugoslav People's Army, including 90,000 men of whom 50 percent are workers, coupled with the favorable ratio of representation from all environments of our nations and nationalities. Although 88 percent of the officers in our army are postwar cadres, in terms of their revolutionary grasp of tasks, views and convictions they insure continuity with their predecessors from the wartime generation. Along the line of the struggle to insure equal representation of officers from all our national environments, and in keeping with LCY policy, it has been insured that the national structure of the cadres of the wartime army [ratna armija] is virtually proportionate to the structure of the population, and is being substantially improved also as regards the composition of the peacetime army [mirnodopska armija].

Among the candidates for military schools and academies, whose national composition is improving every year, about 90 percent are graded very good and excellent. However, in future and as a result of joint action of all the factors of our society, primarily that of the League of Communists, we shall have to insure an even better national structure, because in specific national environments the response of the young people to enrollment in military schools is still not satisfactory.

The organizations of the LCY in the Yugoslav People's Army pay attention to sociopolitical activities of the communists, and encourage them to join the activity in local communities and communes more efficiently, particularly on the question of the training of the young people in the domain of all-people's defense and social self-protection. Thus for instance, in the delegations of military personnel on active service and of civilians employed by the Yugoslav People's Army alone, there are 7,477 LCY members.

The results which we have obtained are very significant, but are not good enough for us to be quite satisfied. As in our society, in our army too there have been individuals in recent years who have not understood the complex and dynamic processes of our development, including such people who resisted them, or who directly opposed the stands and the policy of the LCY. The organization and particularly the leadership of the LCY in the Yugoslav People's Army in all these cases vigorously reacted and undertook diverse measures as envisaged by the LCY statute.

In view of the role of the army and its tasks in the defense of our country, in our activity we will proceed from the view that in future we must not be surprised, as indeed we have not been in the past, even in the smallest unit or organization of the LCY in the Yugoslav People's Army. The fact is that political reactions in the army, in terms of their scope, are negligible and can virtually be ignored. During the past 7 to 8 years, and this year too, they have shown a tendency to decline. Among negative behavior and concepts, the most frequent are those dealing with nationality, and by and large they are held by the men--not by the officers--following pro-Western, bourgeois-liberalistic and bureaucratic-dogmatic concepts.

I find it necessary to point out here the attempts by individual historians and journalists abroad, who entertain anti-Yugoslav feelings, and by individuals in our country who have clashed with the line of the LCY in specific environments, to spread tales with a view to shedding a wrong light on some events during our national liberation struggle and revolution. This imposes the need, through ideopolitical action of the League of Communists and particularly through the activity of the communists in our scholarly institutions, for a well-argued and critical confrontation to face the protagonists of these attempts.

Proceeding from the stands of the 11th LCY Congress concerning the consolidation of all-people's defense, we shall aim at the maximum mobilization of communists and of all subjective factors relating to building up our army, at the elaboration and concretization of the all-people's defense and social self-protection concept, and their socialization, and at intensifying the work to build ideopolitical unity and moral strength of the units and institutions of the Yugoslav People's Army and of their combat readiness, Cuic said.

Zivan Vasiljevic stressed that there are ill-intentioned interpretations of our country's situation. He emphasized that our critical, open and public attitude toward negative manifestations and tendencies serves as proof of our system's strength and of our self-management, democratic socialist society.

Stressing the complex nature of social processes in our country, Vasiljevic said that any procrastination and any delay in giving life to the substance of individual measures, and in particular any delay in making it possible for the working people and citizens to be put in a situation in which, with full understanding and consciously oriented, they can decide specific questions, creates bad feelings, postpones real solutions and, objectively speaking, creates the arena for hostile action. For this reason, the fact that a good number of organizations of associated labor in the country have not coordinated their actions with the stipulations of the law on associated labor by the 11 December deadline is not a formal and legal issue; it is an issue which calls for comprehensive political examination of every concrete case.

Speaking of the struggle of nonalined countries and that of our country for a new international economic system and of our cooperation with nonalined and developing countries, Nijaz Dizdarevic said that this struggle was long-term; it has to be carried out step-by-step with complete realism and by reckoning with the resistance of forces wishing to preserve the existing system of unequal relations and exploitation.

Referring to Yugoslav activity and actions in the struggle for a new international economic system, Dizdarevic stressed that our country, both as a state and as a society, had developed great action together with foreign countries. "There has been no meeting or talks or any action along other, different subjects without reference being made to the struggle to achieve different economic relations in the world and to individual actions in this direction," he said. Pointing to the delay and opposition against all important changes, Dizdarevic said that recently the developed countries had come forward with the thesis that nonalined countries were withdrawing from the program of the new international economic system. "Behind this lurks the intention to question what we have already achieved in the struggle on the international plane and at the United Nations. Its aim is to bring pressure to bear, and with various devices, to wreck the unity of the nonalined and developing countries on this question, especially since economic problems have recently been emerging as a very powerful factor in the cohesion and unity of these countries," he stressed.

He also emphasized that this situation could not persist for long without very serious consequences for the whole world, including the developed countries, and for peace in the world.

Marko Bulc stressed our agreement that during the first 3 years of the implementation of the medium-term plan we achieved important results, but that there have been specific deviations from the plan's objectives and tasks, and that there are also deviations in the implementation of some solutions pertaining to our system.

The basic reasons behind these shortcomings have not been caused by establishing and building the new system of self-management socioeconomic relations, as some people would like to suggest, but are primarily due to the perpetuation of old practices and specific relations, forces and tendencies and to the fact that they are being slowly overcome. They are also the result of the rather tense relations in the distribution of income, i.e. the significant disparity between the available resources and all forms of expenditure; the inefficiency in our business operations; and the absence of qualitative factors in the running of the economy, especially with respect to productivity.

To all intents and purposes, in matters of principle we are very united. Differences appear when we get down to concrete problems. If there is no concrete activity channeled in one single direction, there will be no appropriate results. Verbalism cannot be driven out by verbalism, but only by action, Bulc stressed. It seems that we did not manage to sufficiently program the implementation of new socioeconomic relations on the basis of our constitution and the law on associated labor. We succumbed to fortuity in implementing our system and sometimes we fell into habitual practices. Great work has been done in building our economic system, but in practice, we cannot be satisfied with the transformation of our socioeconomic relations. There are delays with the drafting of legal regulations and enactments that would, in practice, insure the implementation of the law on associated labor and other laws pertaining to our system, both in the federation and in the republics. The state still appears in many areas where it ought to be replaced by labor, organized along self-management lines, Bulc said.

It was agreed at the end of the session that Comrade Tito's message at the Eighth Congress of Yugoslav Trade Unions, Vladimir Bakaric's report at this session, and the information given by the LCY Central Committee Presidium on the current ideological and political questions of the present economic situation in the country, implementation of the 1976-1980 Yugoslav social plan in 1979, and the LCY's tasks in connection with that, must be the focus of the LCY's ideopolitical activity during the ensuing period.

Proceeding from that, it was ruled that all organs and organizations of the LCY should examine the situation in their environment, devise programs of ideopolitical action for communists, constantly monitor and analyze their implementation, and insist on the full responsibility of League of Communists members for the implementation of adopted stands and conclusions.

Subsequently, the LCY Central Committee adopted the program of its work for next year.

Also adopted were proposals made by the LCY Central Committee Presidium that the Presidium should set up working groups, to include members of the Central Committee, to prepare the material for Central Committee sessions, and that LCY Central Committee members should in future attend sessions of republican and provincial committees and of other organs and basic League of Communists organizations in the republics and provinces from which they were elected to the Central Committee.

The LCY Central Committee also adopted a set of rules on informing members of the Central Committee.

At the end of the session, the LCY delegation for the SAWPY Federal Conference, and the members of the SAWPY Federal Conference Presidium nominated from the LCY delegation in the SAWPY Federal Conference, were elected.

TANJUG REPORTS SOVIET REPUBLIC, OBLAST LEADERSHIP CHANGES

LD211538Y Belgrade TANJUG Domestic Service in Serbo-Croatian 1425 GMT 21 Dec 78 LD

[Text] Moscow--In the broad political campaign unleashed in connection with the decisions of the November plenum of the CPSU Central Committee, a number of cadre changes have so far been carried out in high-ranking party and state positions both at the center and in various regions of the Soviet Union.

It has been officially reported that the former first secretaries of obkoms in Novosibirsk, Kalinin and Elista have been replaced and that the former chairman of the Presidium of the Uzbek Supreme Soviet has been relieved of his duties.

These changes are certainly the consequence of criticism put forward at the November plenum in Moscow and at the party plenums of republican central committees held during recent days. Involved here is dissatisfaction with the situation--primarily in the economy--in certain oblasts and republics. At the last plenum of the CPSU Central Committee, unfavorable assessments were expressed about the fulfillment of plan tasks in a number of branches of industry, particularly in ferrous and nonferrous metallurgy, construction, transportation, animal husbandry and so forth. It was stated at the same time that a number of party cadres are not fulfilling the obligations they have undertaken, showing self-satisfaction and a routine attitude toward plan tasks.

The changes at the head of important obkoms--of Novosibirsk, Kalinin, Kalmytskaya ASSR and a number of others--have not been expcunded in any more detail here.

It has only been stated that the former first secretaries have been "relieved of their duties" and that new officials have been elected to their positions. In such cases, according to the usual practice, it is a question of replacement after criticism expressed at the center or in the republic. The aforementioned oblasts had in any case already been criticized on a number of occasions for failures in fulfilling a number of plan tasks.

It is felt here that the replacement of the head of the Uzbek Republic in central Asia was carried out for the same reasons. In place of Mazar Matchanov, hitherto chairman of the Presidium of the republican Supreme Soviet, Inamzhon Usmankhodzhayev has been elected--who up to now has led the party organization of Andizhanskaya Oblast. It was said that the former chairman was relieved of his post "at his own request and owing to his state of health."

MORE ON ESTABLISHMENT OF U.S.-PRC RELATIONS

Sundic Comments on 'Triangle'

LD211816Y Zagreb Domestic Service in Serbo-Croatian 1400 GMT 21 Dec 78 LD

[Text] On the basis of Carter's first explanation of the agreement on the establishment of U.S.-PRC diplomatic relations and Brezhnev's message to the U.S. President, in which the realism of the U.S. attitude toward the PRC is accepted, it is possible to conclude that relations between the superpowers will not enter a new crisis. Here is Milika Sundic to comment:

[Sundic] The message from Leonid Brezhnev to President Carter, which expresses understanding for the U.S. step concerning the PRC, can be assessed as a very wise move by the Soviet leadership in the newly created situation, which is characterized by a change in relations in the so-called great triangle. The establishment of U.S.-PRC diplomatic relations had to come about sooner or later, and the fact that it has come now--at a time when Soviet-U.S. relations and the relations between the two military blocs are not at their best--does not necessarily mean that a further worsening of Soviet-U.S. relations is inevitable. On the contrary, one gets the impression that both superpowers are equally aware of the fact that such a development in mutual relations would not suit them at all. This is especially illustrated by President Carter's optimism that Leonid Brezhnev will visit the United States before Teng Hsiao-ping, whose visit has already been fixed for the end of January next year. The U.S. President thus wanted to assure the Soviet Union and its allies that the decision to establish diplomatic relations between Peking and Washington was not directed against them, while he also wanted to let the PRC know that relations with the Soviet Union continue to be of primary importance to the United States.

Of course, neither Brezhnev's message to Carter nor Carter's explanation of the agreement on the establishment of diplomatic relations with the PRC will in any way improve Soviet-PRC relations, or relations between the PRC and most Soviet allies in the Warsaw Treaty. Nevertheless, it is quite certain that U.S.-PRC relations will continue to progress and that the PRC will speed up its policy of opening itself up to the world, especially the nonalined and developing countries, as well as to the U.S. allies in Europe. In these vast areas, there will be--as before--political clashes between Moscow and Peking, which will most certainly and most frequently concern Soviet-U.S. and U.S.-PRC relations. Within the framework of all these contradictions, various turns of events are likely because the interests of the three countries are so contradictory that it is almost impossible to imagine a situation which would be spared of new clashes. In this, after all, lies the crisis of detente and the instability of international trends. However, since the agreement between the PRC and the United States obliges the two countries to work toward the further promotion of mutual relations and peace in the world, it deserves to be treated as a first-class event in the service of world peace.

Any abuse of the agreement and any groundless suspicion of it may only divert the world onto new, wrong paths, which would not benefit anyone. Any imposition of conditions for the solution of big international problems and hotbeds of crisis, especially those whose existence is due to the different political, economic and military-strategic interests of the great powers, would also be dangerous.

The agreement between the United States and the Soviet Union concerning the limitation of strategic nuclear armaments, which is now being discussed in Geneva by Gromyko and Vance, would help--regardless of its limited scope--to defrost relations between the superpowers and thus also toward a better understanding of the U.S.-PRC agreement on the establishment of diplomatic relations, by those who look upon it with suspicion. Of course, all this would be incomplete if the process of agreement-making is not extended to all countries. Only on this condition can the world--as an inseparable whole--move in the direction of a lasting and stable peace.

Foreign Secretariat Spokesman Comments

LD211351Y Belgrade TANJUG Domestic Service in Serbo-Croatian 1320 GMT 21 Dec 78 LD

[Text] Belgrade--The establishment of diplomatic relations between the PRC and United States of America we consider to be, and welcome as, a normal step in the development of relations between these two countries, Ambassador Mirko Kalezic, official spokesman of the Federal Secretariat for Foreign Affairs, said at today's press conference, when asked to comment on the decision by the PRC and the United States of America to give mutual recognition to one another and to establish diplomatic relations.

"We are also convinced that this event," Kalezic continued, "which exceeds in its significance the framework of bilateral relations between the two countries, must contribute to the further affirmation and application of the principles of peaceful coexistence in international relations.

"Yugoslavia has constantly advocated full international recognition of the PRC, the realization of its rights and role in the United Nations, and also the right of its sovereignty over Taiwan. We have taken as our starting point here the conviction that the PRC's international role and participation in the settlement of basic international problems cannot be and dare not be overlooked; that is, that the PRC's equal participation and responsibility in international relations can contribute to the consolidation of world peace."

SPOKESMAN QUESTIONED ON MIDEAST, EEC ISSUES

LD211639Y Belgrade TANJUG Domestic Service in Serbo-Croatian 1345 GMT 21 Dec 78 LD

[Text] Belgrade--At today's press conference in the Federal Secretariat for Foreign Affairs, journalists asked:

How do you regard the fact that the peace agreement between Egypt and Israel has not been signed within the agreed period?

Ambassador Kalezic, official spokesman, replied: "We presumed that the Egyptian-Israeli negotiations would come up against serious difficulties because of the differences in standpoints between the two countries. We had in view here, too, Israel's hard and unyielding standpoints in essential questions concerning the settlement of the Middle East crisis, as has been confirmed in these negotiations."

What comments have you to make on the current state and progress of negotiations between Yugoslavia and the EEC?

Kalezic gave the following answer:

"I only wish to stress that 2 years have already passed since the adoption of the Belgrade statement, which gave the framework and orientations for the further development of cooperation between the SFRY and the EEC; and a year has passed since negotiations on the conclusion of a new agreement were begun. In this connection the Yugoslav side put forward in April of this year certain proposals, to which we have not as yet received any reply. This tardiness in concluding a new agreement is in the interests neither of the SFRY nor of the community, and can have only negative consequences on current cooperation."

SPOKESMAN KALEZIC QUESTIONED ON VIETNAM-CAMBODIA CONFLICT

LD211630Y Belgrade TANJUG Domestic Service in Serbo-Croatian 1325 GMT 21 Dec 78 LD

[Text] Belgrade--At today's press conference in the Federal Secretariat for Foreign Affairs, Ambassador Mirko Kalezic was asked:

Khieu Samphan, chairman of the State Presidium of Democratic Kampuchea, has sent a message to President Tito. Could you give some details about the content of this message and about the state of relations between Vietnam and Kampuchea?

The reply was: "The president of the State Presidium of Democratic Kampuchea, in his message to President Tito, tells of the grave deterioration in relations between Vietnam and Kampuchea, and the worrying development of events.

"It is known that Yugoslavia, from the very start of the conflict between Vietnam and Kampuchea, has been following the development of the situation in that region with great concern. Milos Minic, then vice president of the Federal Executive Council and federal secretary, visited Hanoi and Phnom Penh at the end of April and beginning of May this year.

"This visit convinced us that deep mistrust exists in relations between the two countries. However, despite such a situation, we remain sure that with the utmost efforts of the countries in conflict, it is possible to find a peaceful settlement on the principles of respect for sovereignty, territorial integrity, noninterference in internal affairs of other states, and full equality, all the more so in that the countries involved are members of the nonalined movement."

FURTHER REPORTAGE ON ARMY DAY CELEBRATIONS

Tito Decorates Officers

LD212004Y Belgrade TANJUG Domestic Service in Serbo-Croatian 0920 GMT 21 Dec 78 LD

[Text] Belgrade--Josip Broz Tito, president of the SFRY, on the occasion of Yugoslav People's Army Day has decorated several thousand members of the Yugoslav People's Army who have achieved notable results in their work and have thus contributed considerably to the strengthening of combat readiness of the units of the Yugoslav People's Army and the armed forces, and to the consolidation of the all-people's defense concept. The following have been decorated, among others:

Col Generals Petar Babic, Dusan Corkovic and Kilos Stanimirovic have been awarded the order of Yugoslav Flag with Sash;

Col Generals Milorad Jankovic, Dusan Korac and Djuro Loncarevic and Lt Col Generals Drogoman Radojicic, Bosko Skrbovic and Bozo Zarkovic have been awarded the Order of the Republic with Golden Wreath;

Maj Gen Mitar Piletic has been awarded the Order of Merit for the People with Golden Star;

Lt Col Gen Lazar Vidovic has been awarded the Order of Brotherhood and Unity with Golden Wreath;

Col Generals Nikola Gazevic and Dusan Vujatovic, Lt Col Generals Rade Bulat, Branko Jerkic, Milutin Matic and Spasoje Todorovic, Vice Admiral Milan Vranes, and Maj Generals Djuro Karanovic, Jovo Ninkovic, Djuro Prilika and Drago Rakocevic have been awarded the Order of the People's Army with Laurel Wreath;

Lt Col Generals Djuka Balenovic, Milojica Pantelic, Svetozar Radojevic and Rear Admiral Thomir Vilovic have been awarded the Order of Yugoslav Star with Golden Wreath;

Col Generals Rudolf Hribernik, Djoko Ivanovic and Milos Sumonja, Lt Col Generals Djordo Bonacic, Radislav Klanjscek and Vuk Kovacevic, and Maj Generals Milan Klobas, Mile Mandic and Dragan Sobot have been awarded the Order of Labor with Red Star;

Lt Col Gen Josif Kostovski and Maj Generals Nenad Banjic, Dimko Kocinski, Ante Kranjac, Vincec Krmelj, Milutin Lutovac and Vojislav Zujic have been awarded the Order of Military Merit with Grand Star.

Meets With Ljubicic, Others

LD212006Y Belgrade TANJUG Domestic Service in Serbo-Croatian 1323 GMT 21 Dec 78 LD

[Text] Brioni--Yugoslav Marshal Josip Broz Tito, president of the republic and supreme commander of the SFRY Armed Forces, has received--to mark Army Day--a military delegation headed by Army General Nikola Ljubicic, federal secretary for national defense, who congratulated him on Army Day on behalf of all members of our armed forces.

In a very pleasant 1-hour-long talk, the members of the delegation informed the supreme commander of the achievements in strengthening combat readiness and of the efforts being made for the further all-round development of the Yugoslav People's Army and armed forces as a whole.

After expressing his satisfaction with the results achieved, Supreme Commander Marshal Tito stressed, inter alia, the importance of the further modernization of the armed forces for the country's defense, and wished them much success in the future, too.

In addition to Army General Nikola Ljubicic, also in the delegation were Col Gen Stane Potocar, head of the Yugoslav People's Army General Staff; Col Gen Dzemil Sarac, secretary of the Conference Committee of the LCY Organization in the Yugoslav People's Army. Col Gens Petar Matic, Ivan Dolnicar, Dane Petkovski, Ilija Radakovic, Bruno Vuletic, Dusan Korac, and Enver Cemalovic; Admiral Branko Mamula; Col Gens Radovan Vojvodic and Dane Cuic; and Lt Col Gens Augustinjukic, Aleksandar Janic and Zika Stojsic.

The reception was attended by Berislav Badurina, chef de cabinet of the president of the republic; Rear Admiral Tihomir Vilovic, adjutant of the supreme commander of the SFRY Armed Forces; and Navy Captain Zvonko Kostic, personal secretary of the president of the republic.

Moscow, Kiev Receptions Held

LD220002Y Belgrade TANJUG Domestic Service in Serbo-Croatian 1803 GMT 21 Dec 78 LD

[Text] Moscow--Col Branislav Laban, Yugoslav military attache to the Soviet Union, organized a reception at the Yugoslav Embassy in Moscow this evening in honor of Yugoslav People's Army (YPA) Day. Present at the reception were Gorshkov, fleet admiral of the Soviet Union and deputy minister of defense; Marshal Sudets of the Soviet Air Force; admirals, generals and other representatives of the Soviet Armed Forces; heads of diplomatic missions; military attaches of many countries and representatives of political life in the Soviet Union.

Slavoljub Aleksic, Yugoslav consul-general in Kiev, organized a reception in Kiev this evening in honor of YPA Day. Present at the reception were representatives of the Soviet Armed Forces, of political and public life of the Ukraine Socialist Republic, and heads of consular representative offices.

Vrhovec Greets Ljubicic

LD211820Y Belgrade TANJUG Domestic Service in Serbo-Croatian 0907 GMT 21 Dec 78 LD

[Text] Belgrade--Josip Vrhovec, federal secretary for foreign affairs, has sent a message of congratulations to Nikola Ljubicic, federal secretary for national defense, which says, among other things:

"On the occasion of Yugoslav People's Army Day, I convey to you and to all members of the Yugoslav People's Army cordial greetings on behalf of the workers at the Federal Secretariat for Foreign Affairs, and on my own behalf. We are proud of the great successes which our army has achieved so far under the leadership of Comrade Tito, its supreme commander, in its moral-political development; in the mastery and development of modern military science, and in its equipment with modern combat resources. We see in the Yugoslav People's Army the worthy heir of our famous national-liberation forces, and the reliable guardian of the freedom, independence and territorial integrity of the self-managing and nonalined SFRY."

EDVARD KARDELJ RECEIVES LJUBLJANA CITIZENS

LD211944Y Belgrade TANJUG Domestic Service in Serbo-Croatian 1522 GMT 21 Dec 78 LD

[Text] Ljubljana--Edvard Kardelj, member of the SFRY Presidency and the LCY Central Committee Presidium, today received representatives of Ljubljana and the Ljubljana-Siska municipality, who congratulated him on the new year. Edvard Kardlej had a short and comradely conversation with his guests.

MILD EARTHQUAKE IN SJENICA REGION REPORTED

LD212011Y Belgrade TANJUG Domestic Service in Serbo-Croatian 1930 GMT 21 Dec 78 LD

[Text] Belgrade--This evening at 1905 the Seismological Institute of the Socialist Republic of Serbia in Belgrade registered a weak earthquake some 170 kms south of Belgrade.

The intensity of the earthquake at the epicenter was about 4 degrees on the Mercalli Scale. The strength of the earthquake at its focus was 2.8 on the Richter Scale. It was centered about 5 kms below the surface. The epicenter of this earthquake was in the Sjenica region. A stronger earthquake in the same region occurred on 5 August 1978, when the intensity at the epicenter was 5 degrees on the Mercalli Scale.

POLITIKA DENOUNCES MIHAJLOV'S ANTICOMMUNIST ACTIVITIES ABROAD

LD211504Y Belgrade TANJUG in English 1336 GMT 21 Dec 78 LD

[Text] Belgrade, December 21 (TANJUG)--Mihajlov's interviews and statements are a thrown together cocktail of bad taste, ghoulish predictions made with perverse glee, disparagement of his native country and his own prescriptions for "salvation". It is a bitter cocktail on which even the insatiable appetites of hostile propaganda have choked. Thus writes the Yugoslav daily POLITIKA in regard to the activity of Mihajlov, a former teaching fellow at the Zadar faculty of philosophy. Since May this year, Mihajlov, with a Yugoslav passport in hand, has been campaigning against Yugoslavia in the Federal Republic of Germany, the United States, Great Britain, France and Italy.

In an extensive article entitled "Dirty Trail of Deceits" the paper writes of Mihajlov's former and present activity, emphasizing the paper's professional obligation to its readers to recapitulate his pretty role.

In a 1965 article entitled "Moscow Summer", Mihajlov, who comes from a White Russian emigre family, hurled crude insults at the Soviet Union. The article was extensively used by the Western press for loud anticommunist propaganda, POLITIKA writes. He later tried to initiate an "opposition" periodical, insisting on the rehabilitation of Milovan Djilas. He also attacked, in a foreign newspaper, the brotherhood and unity of the Yugoslav nations, distributing at the same time in within the country smuggled pamphlets and articles of an extreme anti-Yugoslav content.

Always leaving behind him a dirty trail of deceits, Mihajlov has tried to spread three lies--that Stalinism and party dictatorship rule in Yugoslavia, that the West is the guarantee of Yugoslavia's independence and should therefore exert pressure on it and finally, that a bloodbath awaits Yugoslavia "after Tito".

Mihajlov naturally provides no evidence, but possesses a diabolical imagination fired by calculations ascribable only to an enemy of Yugoslavia, the paper writes. On his trips abroad, he has established close ties with the fascist extreme emigration and anti-Yugoslav Serbo and Croat emigres, and even with members of "Sopozrh" the Chetnik organization responsible for the planting of bombs in Yugoslav diplomatic and consular missions in the United States. The "SNO" extreme Chetnik organization contributes to financing Mihajlov's lectures and banquets, affairs attended, too, by representatives of emigre organizations from Poland, the Ukraine, Belorussia and Hungary. Mihajlov's ties with the extreme and terrorist parts of both the Serbian and Croat emigration undoubtedly represent the culmination of his escalating hostile activity and make him a full-fledged participant in anti-Yugoslav activity, the paper writes. With his dirty intrigu s on the enemy's side, Mihajlov has irrevocably separated himself from this country and from every honest citizen in it, the paper concludes.

GENERAL RADOVANOV VIEWS TERRITORIAL DEFENSE

LD211800Y Belgrade TANJUG Domestic Service in Serbo-Croatian 1405 GMT 20 Dec 78 LD

[Text] Novi Sad--Thanks to the conscientiousness and efforts of all officers and members of the territorial defense, the forceful support of sociopolitical communities, organizations of associated labor and local communities, and with the leading role of the League of Communists, this year we have fulfilled all planned tasks and have further consolidated territorial defense as a forceful component of our all-people's defense, said Maj Gen Milenko Radovanov, commander of the provincial headquarters of the territorial defense, today.

When we assess the results achieved in the development and building up of the territorial defense, of course, we always have in view our overall development and the results achieved. This year has been very rich and significant in this respect, marked by numerous activities linked with the holding of party congresses and conferences, particularly the 11th LCY Congress. This, according to General Radovanov, was a new stimulus to the further construction and consolidation of the system of all-people's defense and social self-protection, particularly with respect to their further socialization. The concept of all-people's defense received powerful affirmation as a function of the self-managing socialist relations which we are elaborating, as the uniform interest of all our nations and nationalities, and as the expression of the rights and responsibilities for our own defense and security. In fostering the specific characteristics of territorial defense, we exert great efforts toward insuring that it develops and becomes capable of functioning along the line of the standpoints outlined in Comrade Tito's report at the 11th LCY Congress.

We have achieved significant results, Radovanov emphasizes, in organizational consolidation of units and headquarters. All components, which are numerous and (?varied), are adapted to the conditions of struggle in this territory. We are also achieving increasingly great successes in technical modernization, which represents new qualitative advances in the direction of further strengthening our overall combat possibilities. We strive constantly to promote and advance training, which--although we are, so to speak, soldiers without barracks--is quite detailed and strenuous, and we strive to do this both in content and methodology, along with, of course, improvement of material equipment. The skilled results of training are therefore continually following an upward trend. It is very important in this respect that we link ourselves more closely by training with the Yugoslav People's Army and with all other structures of our defense and society. People are acquiring new knowledge, increasing their fitness, learning new forms of combat action, mastering new technology. Trust in and reliance upon one another is being developed; people are becoming better acquainted with one another and are becoming closer. Belief is thereby increasing in their own and our common possibilities and determination to defend and successfully protect our country and our socialist self-managing system, emphasizes Maj Gen Milenko Radovanov, commander of the provincial headquarters of the territorial defense.

MORE ON VISIT OF SOLOMENTSEV-LED RSFSR DELEGATION

Talks Held in Montenegro

LD212032Y Belgrade TANJUG in English 1819 GMT 21 Dec 78 LD

[Text] Titograd, December 21 (TANJUG)--A delegation of the Russian Soviet Federative Socialist Republic (RSFSR), led by republican Council of Ministers Chairman Mikhail Solomentsev, candidate member of the Soviet Communist Party Politbureau, arrived here today for an official and friendly visit to the Yugoslav Constituent Republic of Montenegro.

During the three-hour talks between Montenegrin representatives, led by republican Presidency President Veljko Milatovic, and the Russian delegation, the development of Yugoslav-Soviet friendly relations was commended. Cooperation between Montenegro and the RSFSR was described as a factor significantly contributing to overall Yugoslav-Soviet relations.

Further talks are expected to produce specific arrangement for promoting ties between Montenegrin organizations of associated labour and economic and other organizations in the RSFSR.

Srzentic Receives Solomentsev

LD212244Y Belgrade TANJUG in English 1950 GMT 21 Dec 78 LD

[Text] Titograd, December 21 (TANJUG)--Vojo Srzentic, Central Committee president of the League of Communists of Montenegro, today received a delegation of the Russian Soviet Federated Socialist Republic (RSFSR), led by Mikhail Solomentsev, Politbureau candidate member of the Soviet Communist Party and RSFSR Council of Ministers chairman. A cordial and friendly conversation ensued.

INFORMATION SECRETARIAT DELEGATION DEPARTS FOR TUNISIA

AU192130Y Belgrade Domestic Service in Serbo-Croatian 1400 GMT 19 Dec 78 AU

[Text] Today a Yugoslav delegation headed by Ismail Bajra, member of the Federal Executive Council and federal secretary for information, left on a visit to Tunisia at the invitation of the Tunisian Government. The Yugoslav delegation will hold talks on bilateral and multilateral cooperation in the field of information. Special attention in the talks will be devoted to the cooperation of nonalined countries in this field, in view of the fact that Tunisia presides over the intergovernmental council for cooperation of nonalined countries in the field of information.

Cooperation Agreement Signed

LD212044Y Belgrade TANJUG in English 1711 GMT 21 Dec 78 LD

[Text] Tunis, December 21 (TAP-TANJUG)--Mr Mahmoud Triki, president director general of the Tunis-Afrique Press Agency, and Mr Pero Ivacic, director general of the Yugoslav news agency TANJUG, have signed today, in the premises of the Information Ministry, a cooperation agreement between the two agencies.

The signing ceremony was attended by Mr Chedli Klibi, Tunisian information minister, Mr Ismail Bajra, Yugoslav federal secretary of information (information minister), Mr Miodrag Krdzic, Yugoslav ambassador in Tunis, and the members of the Yugoslav delegation.

The agreement, exceeding the classical framework of cooperation of two news agencies, will strengthen cooperation on the level of the pool of non-aligned countries' news agencies, as well as the permanent concertation between the two agencies in the framework of the movement of non-aligned countries and at all international conferences for the advent of a new international information order.

After the signing of the agreement, Mr Pero Ivacic and Mr Mahmoud Triki took the floor to stress the importance and significance of the presence of the two information ministers, Yugoslav and Tunisian, at the signing ceremony. They noted with satisfaction the interest manifested by their attendance, and the responsibility devolving upon them to implement, on their agencies' level, cooperation and reciprocal friendship principles, which have always marked Tunisian-Yugoslav relations.